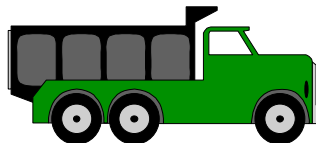
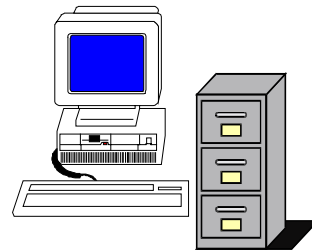
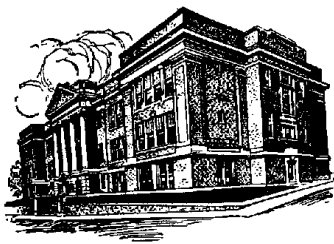


STATE OF RHODE ISLAND
DEPARTMENT OF ADMINISTRATION

OFFICE OF ACCOUNTS AND CONTROL

FIXED ASSETS CONTROL AND TRACKING SYSTEM

F.A.C.T.S.



**POLICY AND PROCEDURE
MANUAL**

**FIXED ASSET CONTROL AND TRACKING SYSTEM
(F.A.C.T.S.)**

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FIXED ASSET CONTROL AND TRACKING SYSTEM
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INTRODUCTION

The policies and procedures that follow seek to establish a system to control and establish the proper stewardship over the state's investment in fixed assets.

Misleading financial statements often result from a failure to record fixed assets because fixed assets are generally a government's single largest asset. If the state's accounting records do not properly summarize fixed asset transactions or safeguards over assets are absent or inadequate, or records are absent to substantiate ownership of fixed assets, the auditors will qualify their report on the state's financial statements.

Because of a qualified auditor's report on our financial statements, interest rates on the state's borrowing might be higher.

Stewardship of the fixed assets for which the state is responsible is weakened without a fixed asset accounting system.

Without a fixed asset accounting system, preventive maintenance of equipment may not be performed as needed.

The state's risk management (insurance) program is weakened without a fixed asset accounting system. Certain risks could be overinsured, underinsured, or not insured at all.

The planning for asset replacement or enhancement within the capital budget process cannot be completed if inadequate information regarding asset age, condition, handicapped accessibility, etc., does not exist.

If surplus or idle assets cannot be readily identified, unneeded purchases could be made.

Assets purchased with federal grants may have to be returned to the grantor if grant conditions were violated as a result of inadequate fixed asset records. The U.S. Office of Management and Budget (OMB) outlines cost principles and criteria for recovering certain costs associated with the execution of federal programs. One such cost is the use of agency property in the performance of the federal program. A fixed asset system can assist in tracking which assets are used by the federal program and in calculating a cost associated with this usage. This cost can be included into the agency's indirect cost proposal to the cognizant federal grantor agency for possible reimbursement.

There are several reasons why we should implement an effective fixed asset management system. This handbook outlines the state's policies and procedures to achieve this objective.

**FIXED ASSET CONTROL AND TRACKING SYSTEM
(F.A.C.T.S.)**

**OVERVIEW OF STATEWIDE FIXED ASSET CONTROL AND TRACKING SYSTEM
(FACTS)**

The State has a significant investment in fixed assets such as land, land improvements, buildings, building improvements, machinery, equipment, furniture, and motor vehicles. In a major effort to improve financial reporting, accountability, and operational efficiencies in managing these assets, the State has established a Statewide Fixed Asset Control and Tracking System (FACTS).

The primary purpose of the System is to maintain auditable information concerning the State's fixed assets, in addition to detailed information concerning location and space for inventory control purposes. This will assist the State in complying with generally accepted accounting principles and increase the accountability for fixed assets.

Complete and accurate fixed asset records will help management personnel identify underutilized buildings and equipment. In addition, surplus assets can be reassigned for more productive use. Accurate records will also help identify replacement and renovation needs of existing assets. This type of management information is also useful in making budgetary decisions for specific requests, as well as, long term capital planning.

State agencies apply for a variety of grants. These funds are often used for the construction or purchase of fixed assets. To comply with grantor requirements, the State must maintain adequate records to support disposition of grant funds. Use of the System will insure compliance with these requirements.

SCOPE

The FACTS is statewide in scope. It is designed to capture information from all state departments and agencies responsible for equipment and space. The cooperation of all personnel with equipment and space responsibilities is required to ensure the accuracy of the system.

It is the agency's responsibility to assist the Office of Accounts and Control maintain accurate fixed asset information using the System. The Office of Accounts and Control Fixed Asset Unit will monitor and coordinate input to the System, maintain the statewide fixed asset database records, distribute reports generated by the System, inventory fixed assets as they are reported by all agencies, and affix bar-code labels.

Fixed asset additions shall be reported to the Office of Accounts and Control via a Fixed Asset Supplement to Form A-12 (Form SFA-12). This form contains detailed information concerning the fixed asset, including its make, model, serial number, and physical location.

Bar coded labels will be used to identify State fixed assets that are included in the System. The Office of Accounts and Control will provide the labels that you affix to the fixed asset using established written guidelines as to placement of the labels.

**FIXED ASSET CONTROL AND TRACKING SYSTEM
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Agencies shall not alter in any manner the Statewide Fixed Asset Control and Tracking system or purchase bar code labels and/or bar code label scanning equipment or purchase related computer software, without first obtaining approval, in writing, from the Office of Accounts and Control, Fixed Asset Unit.

Program departments and agencies can account for items outside of the system's thresholds by coordinating the use of this system with the Office of Accounts and Control. (Agencies can use a "departmental" bar code label of a different color and number sequence for their purposes. Please note each item should contain only one bar code label: either the "state" bar code label or the "department" bar code label. The state label is affixed for all items with a basis above \$5,000 (\$500 for computer equipment) and the department label is affixed for all items with a basis below \$5,000 (\$500 for computer equipment).

**FIXED ASSET CONTROL AND TRACKING SYSTEM
(F.A.C.T.S.)**

**KEY POLICIES FOR STATEWIDE FIXED ASSET CONTROL
AND TRACKING SYSTEM**

INCLUSION OF ASSETS ACQUIRED BEFORE NEW SYSTEM'S EFFECTIVE DATE:

It is intended that equipment acquired prior to the effective date of the new Statewide Fixed Asset Control and Tracking System that meets the capitalization guideline will be recorded in the System. The Office of Accounts and Control will inventory all prior-owned assets and affix bar-code labels.

CAPITALIZATION POLICY

Capitalized assets are those included in the Fixed Asset Control and Tracking System for management control and/or financial reporting purposes. Depreciation expense and/or use allowance calculations will be completed for those items of assets that have been included. These calculations can be used for determination of an indirect cost rate or for determination of program costs for revenue analysis.

The state's capitalization policy requires capitalization of items having a useful life of more than one year and a basis at or above the established threshold. The amount capitalized is the purchase price of the asset and any costs necessary to prepare the assets for use. Donated assets should be capitalized at their fair market value at the time of acquisition.

DEFINITIONS

Aircraft/Airplane- A fixed wing aircraft heavier than air that is driven by a propeller or by a high-velocity jet and supported by the dynamic reaction of the air against its wings.

Boat- A small vessel propelled by oars, paddles, sail or by an internal combustion engine.

Building and Plant Equipment-Tangible property other than land and buildings used for the operation of a building or plant (heating, air conditioning, fire safety, lighting, etc.) and in servicing buildings or plants (snowblowers, snow plows, cherry pickers, street sweepers).

Casualty Loss- Items which are destroyed through catastrophe or natural disaster.

Computer Equipment-Programmable electronic devices that can store, retrieve, process, and send data and information.

Personal Computers-A device that is used for the above purposes at a person's desk. (A personal computer consists of one monitor, one central processing unit [CPU], and one keyboard.)

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Laptop/Notebook Computer- A device used for the above purposes that is portable and can be used outside of the office.

Mainframe Computer- A programmable device that can perform the above tasks on a larger scale for more than one user.

Construction Equipment- Tangible equipment and machinery used to assemble/improve land, buildings, and/or infrastructure assets.

Construction in Progress- Cost of construction work undertaken but not yet completed.

Education and Recreational Equipment- Furniture, equipment and tangible property used for educating/teaching in a classroom; and/or furniture and equipment used for rest and relaxation or social activities.

Farm Equipment and Livestock- 1) Equipment-tangible property and implements used for agricultural horticultural or dairy farm purposes; 2) Livestock- domesticated animals raised or kept for use or profit.

Household Furnishings and Equipment- Furniture, property and accessories used in and around living quarters.

Medical, Surgical and Lab Equipment- Furniture, implements and tangible property used for medical treatment and/or experimental testing and analysis.

Motor Vehicles and Automotive Service Equipment-1) Motor Vehicles- A self-propelled vehicle powered by an internal combustion engine used to transport people and other items. 2) Automotive Service Equipment- Furniture, implements and tangible property used to test, diagnose and repair motor vehicles.

Office Furnishings and Equipment- Furniture, equipment and tangible property used in rooms within a building(s) for the conduct of a trade, business, profession or government service.

Scrap- Items having no salvage or disposal value.

Trade-In-An item is given to the vendor who is supplying a new item to replace the old as part of the purchase price paid for the new item.

Building-A roofed and walled structure acquired or constructed for permanent use as a dwelling, for storage or commercial use.

Fixed furniture, machinery or equipment-a piece of equipment that is attached to the room or building, but not permanently affixed and is used as furnishings, decorations, or for specialized purposes. Such equipment is considered not to be permanently affixed to the building if it can be removed without the need for costly or extensive alterations or repairs to the building

FIXED ASSET CONTROL AND TRACKING SYSTEM (F.A.C.T.S.)

to make the space useable for other purposes. Each item of fixed equipment must have an acquisition cost (including installation costs) of \$5,000 or more and a useful life of more than one year.

Infrastructure-Long-lived capital assets that are normally stationary in nature and can be preserved for a greater number of years than most capital assets. Most infrastructure assets are attachments or annexations to land designed for public use, health, and welfare.

Land-A portion of the earth's solid surface distinguishable by boundaries or ownership.

Movable furniture, machinery or equipment- An equipment item that is not affixed to any part of the building or room, with a unit cost of \$5,000 or more (\$500 for computer equipment) and a useful life of more than one year.

Renovation or improvement-Extensive attachments and annexations which are intended to be permanent and remain attached or annexed. The attachment or annexation increases the asset's useful life and/or increases its value.

ASSIGNING BASIS TO FIXED ASSETS:

Basis is the dollar amount capitalized and included in the fixed asset system as the book value of the fixed asset. Basis should be assigned to fixed assets based on actual historical costs, or for donated assets, at fair market value on the acquisition date. Historical cost information for assets purchased should be obtained from the vendor invoice and included on the Form SFA-12 (Fixed Asset Supplemental Form).

For construction projects, basis should include all payments for each contract, plus architect fees, and management and planning fees. When a fixed asset is constructed by or for an agency, the agency shall submit periodically payment documents to process payments to the vendor(s); an SFA-12 form shall accompany each payment reporting the amount of the payment. Upon completion of the project, one "FINAL" SFA-12 form shall be submitted to the Office of Accounts and Control to report the total costs of the project. The "memorandum only" box on the SFA-12 form shall be checked.

Assets acquired through contribution, donation, or forfeiture shall be recorded at fair market value on the date acquired. Fair market value is the estimated amount at which the fixed asset might be exchanged between a willing buyer and a willing seller, neither being under compulsion, and each having reasonable knowledge of all relevant facts. All donations, gifts, or bequests shall comply with the applicable state statutes before the state can claim title, and the receiving agency can deem it as a fixed asset. Use the following guidelines to estimate fair market value of assets acquired by contribution, donation, or forfeiture if the cost of obtaining an independent appraisal exceeds the benefit of such (The cost of an appraisal would exceed its benefits if the asset acquired through contribution, donation, or forfeiture will be held by the state for a short time before being disposed. The cost of an

FIXED ASSET CONTROL AND TRACKING SYSTEM (F.A.C.T.S.)

appraisal would exceed its benefits if the apparent condition of a contributed, donated, or forfeited asset reveals a low relative value.): land, buildings, and/or motor vehicles: property tax assessment value; all other furniture, machinery and equipment, based on estimated remaining useful life: life = 7 years, fair market value (FMV) = 100% replacement cost of same asset purchased new; life = 6 years, FMV = 85%; life = 5 years, FMV = 70%; life = 4 years, FMV = 55%; life = 3 years, FMV = 40%; life = 2 years, FMV = 25%; life = 1 year, FMV = 10%. If after using the above guidelines, the estimated fair market value of an asset is less than the amounts outlined on page 7, then the asset will not be recorded in the system.

For purposes of assigning a basis in the new System for buildings and underlying land acquired prior to the effective date of the new system, an estimate of cost will be made and shall be used to determine a basis.

When replacing components of a fixed asset which increase its useful life or its value, the basis of the asset will be increased and the new basis will be depreciated over its remaining useful life.

DEPRECIATION

INTRODUCTION:

Depreciation shall be calculated on all assets other than land. Depreciation will be reported on a memo basis in reports generated by the System. Depreciation will provide another gauge for budget maintenance and program cost analysis purposes. Also, it will serve the agencies that have depreciation requirements for grant or reimbursement purposes.

DEPRECIATION CONVENTION:

One half year's depreciation will be calculated in the fiscal year an asset is acquired. This convention shall be used regardless of when, during the fiscal year, an asset is acquired.

DEPRECIATION METHOD:

The straight-line method of depreciation will be utilized. Straight-line depreciation is computed by establishing the basis of an asset, less the salvage value, then dividing by the number of years of useful life to arrive at an annual depreciation charge. The following criteria are used to determine the annual depreciation amount:

1. Cost or Basis
2. Salvage Value
3. Useful Life
4. Depreciation Method

FIXED ASSET CONTROL AND TRACKING SYSTEM (F.A.C.T.S.)

ORIGINAL COST:

Defined as the cost to the first owner which was a department or agency of the State of Rhode Island (also known as the basis or book value). See Assigning Basis to Fixed Assets on Page 3 for a discussion of "Basis" and "Book Value."

ASSET LIVES:

The following schedule shall be used as a guide in determining the useful life of the various categories of fixed assets:

<u>ASSET CATEGORY</u>	<u>LIFE</u>
• Aircraft (all types)	10 years
• Boats (all types)	10 years
• Building Improvements and Renovations	20 years
• Buildings	50 years
• Computer Equipment (all types)	5 years
• Furniture and Equipment	5 years
• Land Improvements	20 years
• Leasehold Improvements	Term of Lease
• Automobiles and Light Trucks	5 years
• Motor Vehicles (heavy equipment)	10 years
• Trailers	10 years

See Appendix IX for a list of useful lives by category codes.

SALVAGE VALUE:

Judgments must be made to estimate the probable salvage value of assets that still may be operational at the conclusion of their originally estimated life spans. The state has elected to not estimate salvage value for the its assets.

UNIT GROUP CONTROL:

Assets will be inventoried and labeled on a unit basis. That is, no quantities greater than one will be entered in the System to account for each individual item where multiple assets of the same kind exist. This is consistent with the capitalization threshold policy (see page 7) and eases the asset verification process.

BULK PURCHASES:

For bulk purchases of furniture, equipment, etc., the cost of each asset must equal or exceed \$5,000 (\$500 for computer equipment) if they are each to be capitalized and included in the System.

FIXED ASSET CONTROL AND TRACKING SYSTEM (F.A.C.T.S.)

FABRICATED ASSETS:

Assets, which are constructed internally using various component parts, shall be included in the System as one asset, if the cost of labor and material to construct the asset equal or exceeds the capitalization threshold. "Internally constructed assets are those constructed by a state department or agency using its own labor and purchasing the components."

RECORDING COMPONENT GROUPS

Assets which are purchased as a component group, such as a personal computer system (including a central processing unit, monitor and keyboard and any pre-installed software), shall be recorded in the fixed asset system as one asset and, accordingly, one label number will be assigned to the total group.

If several components of a group are lost, stolen, destroyed, or sold and the disposition of these components causes the asset's useful life to cease, report the disposition of the total asset on Form A-70. If these components are replaced and all of the replacement components cost more than \$5,000 (\$500 for computer equipment) and will increase the asset's useful life to more than one year, then a new asset group will be recorded in the system, including the component(s) of the previous asset group that was not lost, stolen, destroyed or sold. If only one component, to which a bar code label was affixed, is lost, stolen, or destroyed, and it is replaced, a new bar code will be affixed regardless of whether or not the new component costs \$5,000 or less.

FIXED ASSET COORDINATOR

FUNCTION:

The Fixed Asset Coordinator(s) shall be appointed by the Director of each agency. The Director shall notify the State Controller in writing of the employee(s) [name, title, and telephone number] in each department or agency that shall serve this capacity, and of any changes. The Fixed Asset Coordinator shall act as a contact person with the Office of Accounts and Control, Fixed Asset Unit in all matters related to the Statewide Fixed Asset Control and Tracking System. The Fixed Asset Coordinator shall assist the Office of Accounts and Control in insuring that data maintained in the system is accurate and timely and assist with any physical inventory of fixed assets of his/her department.

Generally, a Fixed Asset Coordinator can not function as an Authorized Agent for the approval of Fixed Asset Invoice Vouchers as these two activities represent incompatible functions.

When a Department or Agency owns a building, but does not occupy the building, the following policy applies: The Fixed Asset Coordinator of the Department or Agency that is the owner is responsible for accounting for the building. The Fixed Asset Coordinator for the Department or Agency that occupies the building is responsible for accounting for its contents.

FIXED ASSET CONTROL AND TRACKING SYSTEM (F.A.C.T.S.)

FIXED ASSET UNIT

FUNCTION:

The Fixed Asset Unit within the Office of Accounts and Control will maintain the Fixed Asset system database. The Fixed Asset Unit will monitor and coordinate input from the various fixed asset forms. Also, the reconciliation of perpetual records with physical assets will be performed by the Fixed Asset Unit. The Fixed Asset Unit will monitor the annual physical count of fixed assets by state departments and agencies. The Fixed Asset Unit will distribute periodic reports generated by the System.

The responsibilities of the Fixed Asset Unit include, but are not limited to, the following:

1. Assigning state bar-code labels to fixed assets.
2. Reviewing, verifying and correcting activity reports generated by the system.
3. Taking a periodic physical inventory of fixed assets in accordance with law and policies.
4. Reviewing fixed asset supplement to invoice vouchers form (Form SFA-12) for accuracy and compliance with policies and procedures. Any error found by the Office of Accounts and Control, General Audit Section, shall be returned to the acquiring department for corrections.
5. Insuring that data maintained in the system is accurate and timely.
6. Reconciling FACTS database to RI SAIL.

CRITERIA FOR INCLUSION OF FIXED ASSETS IN SYSTEM

GENERAL:

Fixed assets are defined as tangible property with a useful life of more than one year and a certain cost or value. These assets are not intentionally acquired for resale, nor are they readily convertible to cash.

The major types of assets included in the Statewide Fixed Asset Control and Tracking System are (See APPENDIX IX for more detail):

- All land, land use rights and land improvements costing \$100,000 or more
- All buildings, building renovations and leasehold improvements costing \$100,000 or more
- Construction in progress

FIXED ASSET CONTROL AND TRACKING SYSTEM (F.A.C.T.S.)

- Works of Art, Historical Treasures and Memorabilia costing \$5,000 or more
- Motor vehicles and Auto Service Equipment costing \$5,000 or more
- Computers, Software and User Licenses (various thresholds)
- Equipment and furniture costing \$5,000 or more on a unit basis
- Infrastructure acquisitions or improvements costing \$100,000 or more

Examples of such fixed assets include but are not limited to:

- Equipment, Vehicles, Boats and Trailers, and Computers.
- Office Furniture and Equipment, Household Furniture.
- Parks, Office Buildings, Parking Lots.

Fixed assets, which do not meet the criteria outlined in the procedures, should not be reported on a Fixed Asset Supplement Form (SFA-12) and shall not be included in the System.

As stated in the general definition, the identifying characteristics of a fixed asset are "cost" and "useful life"; therefore, if an asset meets the test of cost indicated above and has a useful life of more than one year, it shall be included as a fixed asset in the System.

LAND AND LAND IMPROVEMENTS

Each parcel of land owned by the State is initially recorded as a separate asset. Land improvements made to each parcel such as parking lots, sidewalks, retaining walls, yard lighting, fencing, etc., are also recorded as separate assets in the System. For example, a parking lot would be recorded as a separate asset from the land underneath. It should be noted that although land assets are included in the system regardless of cost, land improvements are only included in the system if they cost \$100,000 or more and have a useful life of more than one year.

Since land is acquired on a parcel basis, it is recorded in the System as such, I.e., each lot is recorded in FACTS as a separate asset.

BUILDINGS, BUILDING RENOVATIONS AND IMPROVEMENTS:

All buildings and other structures owned by the State shall be recorded in the System.

FIXED ASSET CONTROL AND TRACKING SYSTEM (F.A.C.T.S.)

Renovations made to buildings shall be recorded in the System if they meet the criteria established: a cost of \$100,000 or more and a useful life of more than one year. A renovation enhances an already existing asset to a condition beyond that which results from normal maintenance or repairs, and/or increases the useful life of the asset. Replacing a roof, or installing a better electrical system in a building are examples of renovations.

Improvements are defined as the addition of a new building component or section where one did not previously exist costing \$100,000 or more with a useful life of more than one year. Examples of building improvements would include installation of an air conditioning system in a building or the addition of floor space to an existing building.

LEASEHOLD IMPROVEMENTS:

Leasehold improvements made to buildings leased by the State shall be recorded in the System if they meet the criteria established: a cost of \$100,000 or more and a useful life of more than one year.

MACHINERY EQUIPMENT AND FURNITURE:

All machinery equipment and furniture that costs or has a value of \$5,000 or more and has a useful life of more than one year will be recorded in the System. Equipment is defined as any vehicle, piece of machinery, or other device that meets the fixed asset criteria. Examples of equipment and furniture would include, but are not limited to:

- | | |
|--------------------------------------|----------------------------------|
| • Appliances and Household Furniture | • Construction Machinery |
| • Autos | • Trucks |
| • Buses | • Office Equipment and Furniture |
| • Computers (cost/basis \$500)* | • Tractors |
| | • Telecommunications Equipment |

- * The \$500 threshold should not include the cost of the following items (if sold separately, i.e. “unbundled”): license agreements, maintenance contracts, training manuals, or software.

Repairs to equipment and furniture that cost \$5,000 or more (\$500 for computers) and that will increase the useful life of the asset by one year or more will be recorded in the system.

FIXED ASSET CONTROL AND TRACKING SYSTEM (F.A.C.T.S.)

LEASED ASSETS:

In general, assets included in the System are, by definition, either owned by the State or Federal Government or leased with the various characteristics of ownership present. The five major acquisition methods are:

- Purchase
- Construction
- Donation
- Lease/Purchase
- Forfeiture (includes seizure, foreclosure, and forfeiture)

The two major categories of leases are:

1. ***Lease/Purchase (Capital Lease)*** - A contract entered into by an agency to make periodic payments to the owner of a fixed asset for the right to use it. Included in the contract is a provision that transfers ownership of the asset to the State at some time during or at the end of the lease

This type of lease agreement is classified as a capital lease when substantially all of the risks and benefits of ownership are assumed by the State. A capital lease is, for the most part, viewed as an installment purchase of property rather than the rental of property.

If any one of the following four criteria is a characteristic of the lease transaction, the lease will be recorded in FACTS:

1. The lease transfers ownership of the property to the lessee by the end of the lease term.
2. The lease contains a bargain purchase option.
3. The lease term is equal to 75% or more of the estimated useful life of the leased property.
4. The present value of the minimum lease payments at the inception of the lease equals at least 90% of the fair value of the leased property.

Copies of all lease/purchase type leases shall be submitted with the SFA-12 form to the Office of Accounts and Control, Fixed Asset Unit to include in the system.

Assets acquired under lease/purchase arrangements are included in the System and shall be reported on Form SFA-12. The memorandum only box on the Form SFA-12 should be checked for all such acquisitions. Each asset acquired via a lease/purchase contract shall be recorded in the Fixed Asset System upon initial use of

FIXED ASSET CONTROL AND TRACKING SYSTEM (F.A.C.T.S.)

the asset, after the contract receives all necessary approvals and signatures.

A RI-SAIL payment document or other appropriate document should be prepared to initiate payment to the vendor. Assets acquired under a Master Lease Program and a Certificate of Participation Program are included in this category.

2. ***Operating Lease (Rental)*** - Periodic payments made to the owner of a fixed asset for the right to use the asset. The asset remains the property of the owner throughout the rental period, and is returned to the owner at the end of the lease term. Assets acquired under leases of this type are not included in the System.

INFRASTRUCTURE:

Assets in this category will be included in the System. These include roads, bridges, curbs, and gutters, streets and sidewalks, water, sewage and drainage systems, lighting systems, dams and levees, monuments, historic sites, telecommunications system, water distribution, gas and electric utilities, solid waste disposal, waste water treatment, and similar assets that are immovable. Any real property that becomes part of infrastructure will be entered into the system.

WORKS OF ART, HISTORICAL TREASURES AND MEMORABILIA

These assets are defined as one or more items 1) on public display, 2) used in furtherance of historical education or 3) involved in advancement of artistic or historical research. Administrative type buildings not considered part of a collection of historic buildings (for example, a visitor's center or a storage facility at a historical site) will be capitalized using the FACTS general policies as guidance.

These assets will be recorded in the FACT system as works of art, historical treasures or memorabilia whether they are held as individual items or in a collection, if the conditions of ownership are as follows.

These type assets are:

- Held for public exhibition, education, or research in furtherance of public service, rather than financial gain.
- Protected, kept unencumbered, cared for and preserved.

Bar code label numbers will be recorded in the FACT system for each asset recorded. However, the labels will not be affixed to the asset (so as to not diminish or destroy the physical integrity of the asset).

Depreciation will not be required for individual items or collections because these assets are considered inexhaustible. Depreciation will not be recognized on works of art or historical treasures whose economic benefit or service potential is used up so slowly that their estimated useful lives are extraordinarily long. Items that are

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exhaustible, such as exhibits whose useful lives are diminished by display or educational or research applications, shall be depreciated over their estimated useful lives.

Administrative type buildings will be recorded and depreciated consistent with FACTS policy for these type of buildings.

COMPUTER SOFTWARE

The State of Rhode Island considers computer software that exceeds a certain dollar amount of cost and has an estimated useful life greater than one year to be an intangible asset. Governmental Accounting Standards Board Statement No. 34 defines capital assets to include "...intangible assets that are used in operations and that have initial useful lives extending beyond one reporting period."

Computer software that costs \$50,000 or more and has an initial estimated useful life of one year or more will be capitalized. (The estimated useful life determination is to be made on the basis of functional usefulness and technological usefulness.) This policy shall apply to software that is internally developed and to software purchased from a vendor.

Computer software maintenance fees paid annually to the same vendor from whom the original application software was purchased shall **not** be capitalized.

Computer software that is developed internally shall be included in the System as one asset if the cost of labor and material to develop the asset equal or exceeds the capitalization threshold.

Computer software applications that cost less than the above threshold and/or do not have an expected useful life greater than one year will not be capitalized.

COMPUTER USER LICENSES

For all intents and purposes, computer software vendors sell users a license to use their software. They do not sell users their software per se. Therefore, it shall be the policy of the State of Rhode Island to maintain an accounting of computer software user licenses for "major" computer applications (i.e., those computer systems capitalized under the above policy).

The Office of Accounts and Control shall maintain an accounting of all user licenses acquired at the time of the original computer software acquisition and any subsequent user license purchases for the original computer software.

If the cost of initial acquisition of computer software and licenses equals or exceeds \$50,000, an SFA-12 form will be submitted for both. The SFA-12 form will report the cost assigned to the software and the cost assigned to the licenses.

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RENOVATIONS, IMPROVEMENTS AND MAJOR REPAIRS

Renovation, improvements and major repairs made to original asset that equal or exceed the dollar capitalization thresholds and increase the original asset's useful life of Several of the major types of assets listed above are to be included in FACTS.

A separate asset will be entered into the database for renovations, repairs and improvements to the following types of assets: land improvements, building renovations and improvements and leasehold improvements with a cost of \$100,000 or more. These improvements will be recorded separate from the original asset because the estimated useful life of the improvement is less than that of the original asset.

Renovations, repairs and improvements to vehicles, furniture and equipment and works of art, memorabilia and historic treasures, the cost of which equal or exceed \$5,000 and extends the estimated useful life of the original asset, will be added to the remaining, non-depreciated cost of the original asset. The new, adjusted cost amount will be depreciated over a new estimated useful life. The estimated useful life of any renovation, repair or improvement to vehicles, furniture and equipment and works of art, memorabilia and historic treasures will be equal to one-half of the estimated useful life of the original asset. This amount will be added to the remaining number of years left of the useful life of the original asset. The new cost amount will then be depreciated over this new useful life amount.

REPORTING FIXED ASSET ACQUISITIONS

GENERAL:

Each agency, when acquiring a fixed asset, shall submit a Fixed Asset Supplement (form SFA-12) to the Office of Accounts and Control. If the SFA-12 form is not completed according to the procedures set forth in this section the payment will not be processed. The payment document will then be returned to the agency requesting the additional information required to properly process the SFA-12 form. A Form SFA-12 must be submitted for all expenditures that are charged to the natural accounts for capital assets (See Appendix IX)

The Form SFA-12 is used solely to record the fixed asset in the system transactions.

Detailed instructions concerning completion of the Form SFA-12 are included in Appendix I. Certain aspects of the Form SFA-12 that require special attention are reviewed below.

TRANSACTION CODES:

There are five categories of transaction codes that are used on the Form SFA-12. These codes provide certain information concerning the fixed asset acquired. Each code is discussed in detail below.

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ACQUISITION CODES:

The following codes shall be used to identify the fixed asset acquisition by type:

- 01 Purchased New -- New fixed assets that meet the criteria for capitalization. (Any externally fabricated assets should be treated as an Acquisition Code 01.)
- 02 Purchased Used -- Used fixed assets that meet the criteria for capitalization.
- 03 Donated -- Fixed asset that has been donated.
- 04 Fabricated -- Fixed asset that has been constructed internally.
- 05 Transferred -- Fixed asset acquired by transfer (from Form FA-80).
- 06 Improvement/Renovation -- Fixed assets that are added or annexed to another asset, the cost of which equals or exceeds the dollar threshold for capitalization and increase the useful life of the original asset by one year or more.
- 07 Forfeited - Fixed Asset Acquired by Forfeiture.
- 08 Leased -- Fixed asset acquired via a lease/purchase contract.
- 09 Initial Inventory -- Initial physical inventory upon implementation of F.A.C.T.S.

TITLE CODES:

The following codes shall be used to indicate which entity holds title to the fixed asset at the time of acquisition.

- 12 State Owned -- The State has title at time of acquisition.
- 13 Federally Owned -- The Federal government holds title.
- 14 Master Lease -- The Trustee under the master lease program has title to the asset.
- 15 Other Capital Leases - Used for all other assets acquired under capital leasing arrangements, other than the master lease program.

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In addition, if an asset is traded, a disposal code 25 is indicated in the Trade-In Section of the Form SFA-12. If the federal government grants legal title of an asset to the state, the state agency that is acquiring legal title shall inform the Office of Accounts and Control via Form FA-80.

The title code for an asset that is acquired with both federal and state funds shall be for whichever government has legal title at the time of acquisition.

LOCATION CODE:

The location code is a five-digit number used to identify the specific location in which the asset is located. The first two digits of the code number will identify the city or town where the fixed asset is located. The last three digits of the location code will identify the particular site at which the fixed asset is located. Each location where fixed assets are located within an agency will be assigned this five-digit number by the Office of Accounts and Control, Fixed Asset Unit.

All assets on a Form SFA-12 must be situated at the same location and on the same floor (i.e. they must have the same location and floor codes). Vehicles will always use their home base as their location code. Each Department or Agency shall determine a home base for their vehicles.

FLOOR CODE:

The floor code is two characters and designates the floor on which the fixed asset is located (e.g. for an asset located on the first floor "01" would be entered, for an asset located in the basement, a "B" would be used).

CATEGORY CODE:

The category code is a three-digit number used to designate the type, by broad category, of fixed asset acquired. Depending on the nature of the fixed asset, one of the codes listed below shall be entered on the Form SFA-12 in the appropriate location:

- 100 - Land, Land Use Rights, and Land Improvements
- 200 - Buildings, Building Renovations, and Leasehold Improvement
- 300 - Construction in Progress
- 400 - Works of Art, Historical Treasures, and Memorabilia
- 500 - Motor Vehicles, Service, Equipment, and Trailers
- 600 - Furniture, Machinery, and Equipment
- 700 - Computer Equipment
- 900 - Infrastructure

FUND/AGENCY

Four digit code corresponding to the first four digits of the appropriation account number of the agency within the RI-SAIL accounting system which is responsible for custody of the furniture and equipment or occupies the building. If the source of funds for capital acquisitions is a Master Lease, use the four-digit code 08XX. The code for Certificates of Participation (COPS) is 09XX. The last two digits of the

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master lease and COPS primary account code will be the two-digit state agency number that is acquiring the fixed asset. This code will be used to sort assets for reporting purposes.

For assets purchased with funds from the Internal Service Accounts, Bond Accounts and Custodial Accounts, the first four digits of the appropriation account within the general fund of the responsible agency should be used.

FUNCTION CODE:

Two-digit code to designate the program category that will receive benefit from use of the assets:

<u>Description</u>	<u>Code</u>
General Government	1
Human Services	2
Education	3
Public Safety	4
Natural Resource	5
Transportation	6

NOTE: See APPENDIX VIII for a list of function codes and RI SAIL fund agency codes. Please inform the Fixed Asset Unit of the Office of Accounts and Control of any exceptions to these function code assignments.

BUILDING PURCHASES:

When a building is purchased, the agency responsible for the management and operation of the building shall submit the Form SFA-12.

CONSTRUCTION:

When a fixed asset is constructed by or for an agency, the agency shall process payments to the vendor(s). Upon completion of the project one form SFA-12 shall be submitted to the Office of Accounts and Control to report the total costs of the project. The memorandum only box on the Form SFA-12 shall be checked.

RENOVATIONS:

Renovations that qualify as a fixed asset shall be reported by the agency responsible for the management and operation of the building, using Form SFA-12.

DONATIONS:

All donations, gifts or bequests, shall comply with the applicable State Statutes before the State can claim title, and the receiving agency can deem it as a fixed asset - (See appendix IV.) When an agency receives a fixed asset that has been donated, the agency receiving the asset should first determine the fair market value of the fixed asset and its remaining useful life. Then file Form SFA-12 if its value

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equals or exceeds the dollar amounts outlined on page 7, and it has a useful life of more than one year, stating on the Form SFA-12 that the asset was donated and by whom. Acquisition code 03 shall be used on the Form SFA-12 and the memorandum only box on the Form shall be checked. (See page 3 under "Assigning Basis to Fixed Assets" for a discussion of determining the asset's fair market value.)

CUSTODIAL ASSETS

Capital assets acquired with funds held in custody for an inmate, patient, client or ward will not be recorded in the FACTS and will not have a bar code label affixed. This policy applies also to a capital asset(s) donated for use by a specific inmate, patient, client, or ward only.

The state agency responsible for the care, custody, and control of these assets should affix a label indicating the owner of the asset as the inmate, patient, client, or ward.

FORECLOSURE

No record of foreclosed property shall be maintained in the F.A.C.T. System unless the property is placed into operation by a state department or agency. When a foreclosed property is placed into operation instead of sold, the agency shall submit an SFA-12 form to the Office of Accounts and Control in order to establish a record of ownership. A barcode label will be assigned to it, and depending upon the type of asset, the label might be required to be affixed to the asset.

THE STATE DEPARTMENT/AGENCY THAT FORECLOSED ON THE PROPERTY AND IS HOLDING IT PENDING ITS SALE IS REPONSBILE FOR MAINTAINING A RECORD OF THIS PROPERTY UNTIL IT IS SOLD OR PLACED INTO OPERATION.

The term "foreclosed property" means any asset received in satisfaction of a loan receivable or as a result of payment of a claim under a guaranteed or insured loan (excluding commodities acquired under price support programs); All properties included in foreclosed property are assumed to be held for sale.

Foreclosed property is recorded at cost and adjusted to the lower of cost or its net realizable value; any difference is carried in a valuation allowance.

The expected net realizable value shall be based on an estimate of the market value of the property adjusted for any expected losses and any other costs of the sale. The estimate of market value shall be based on (1) the market value of the property if an active market exists; (2) the market value of similar properties if no active market exists; or (3) a reasonable forecast of expected cash flows adjusted for estimates of all holding costs, including any cost of capital. In addition to considering market value, the expected net realizable value shall consider the entity's historical experience in disposing of foreclosed properties, i.e., if the entity is typically unable to obtain market value for properties, the expected net realizable value shall be adjusted to be consistent with historically experienced losses. Additionally, if the entity will not be able to sell the property under normal market conditions or is

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forced to sell the property within a given time, this factor shall be considered in arriving at net realizable value.

If the property is taken subject to claims of the lender, debtor, or other party, these claims shall be accounted for in a valuation allowance. These claims can be in the form of a lien or a residual interest of the debtor or lender. These claims shall be recorded at the expected amount of the cash required to settle the claims.

Any receipts or disbursements associated with acquiring and holding foreclosed assets shall be charged or credited to foreclosed property. This shall include rental receipts, maintenance and repair expense, advertising costs, and any other elements of the projected cash flows considered in arriving at the net realizable value.

Upon sale, any difference between the net carrying amount of the foreclosed property and the net proceeds of the sale shall be recognized as a gain or a loss on the sale of foreclosed property.

Assets not sold but placed into operation shall be removed from foreclosed property when such action is taken. If reimbursement for the transfer of assets from one program to another is made, the proceeds from the transfer shall be treated in the same manner as a sale to a third party.

Agency accounting policies, procedures, and records shall contain the following minimum requirements:

- Basis for establishing value of foreclosed property.
- Changes from prior year's accounting methods, if any.
- Restrictions on the use/disposal of the property.
- Balances in the categories described above.
- Number of properties held and average holding period by type or category.
- Number of properties for which foreclosure proceedings are in process at the end of the period.

LEASES:

Assets that are leased and meet the criteria for inclusion in the System should be reported on Form SFA-12 under the applicable title code (either 13 for Master Lease or 14 for other capital lease). The memorandum only box on Form SFA-12 should also be completed. The "memorandum" SFA-12 should be submitted upon use of the asset, after the lease agreement receives all necessary approvals and signatures.

FEDERAL SURPLUS PROPERTY:

The acquisition of Federal Surplus Property shall be reported on Form SFA-12 under code 02 for acquisition and codes 12 or 13 for title, when the property meets all of the criteria to qualify it as a fixed asset. The Office of Accounts and Control,

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Fixed Asset Unit, will determine if the fair market value of the fixed asset meets the criteria for inclusion into the System.

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SEIZURE

As a consequence of various laws, certain property is seized by authorized law enforcement agencies, and much of it is subsequently forfeited to the government through abandonment or administrative or judicial procedures. The forfeited property is ultimately sold, converted for use by the government, or transferred to other governmental entities. Because this property is first seized, then all or a portion of it is forfeited, this standard separately addresses the accounting for seized property.

“Seized property” includes monetary instruments, real property, and tangible personal property of others in the actual or constructive possession of the seizing agency.

Seized property shall be accounted for in an agency’s property management records when an agency has gained actual or constructive possession of it under statutory and/or regulatory authority.

The value of the seized property shall be accounted for in an agency’s property management records until the property is forfeited, returned, or otherwise liquidated. No record of any capital assets acquired through seizure shall be maintained in the FACT system until legal title passes to a state agency through administrative or judicial proceedings, i.e., until the asset is forfeited. (SEE THE FOLLOWING PARAGRAPHS CONCERNING FORFEITURES FOR THE ACCOUNTING PROCEDURES TO FOLLOW FOR FORFEITED PROPERTY.)

Seized monetary instruments shall be recognized as seized assets of the entity when they are seized. In addition, a liability shall be established in an amount equal to the seized asset value. Seized monetary instruments are recognized upon seizure due to (1) the fungible nature of monetary instruments and (2) the high level of control over the assets that is necessary.

Seized property shall be valued at its fair value when seized or, if fair value cannot be readily determined, as soon thereafter as reasonably possible. Fair value shall be based on the value of the property assuming an active market exists for the property. If no active market exists for the property in the general area in which it was seized, a value in the principal market nearest the place of seizure shall be used. Seized monetary instruments shall be valued at their market value.

Agency accounting policies, procedures, and records shall contain the following minimum requirements .

- Explanation of what constitutes a seizure and a general description of the composition of seized property.
- Method(s) of valuing seizures.
- Changes from prior year’s accounting methods, if any.

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- Analysis of change in seizures, including the dollar value and number of seizures that are
 - (1) on hand at the beginning of the year,
 - (2) made during the year,
 - (3) disposed of during the year, and
 - (4) on hand at the end of the year as well as known liens or other claims against the property. This information should be presented by type of seizure and method of disposition.

FORFEITURE:

“Forfeited property” consists of (1) monetary instruments, real property and tangible personal property acquired through forfeiture proceedings; (2) property acquired by the government to satisfy a tax liability, and (3) unclaimed and abandoned merchandise.

The property shall be valued at its fair market value at the time of forfeiture. A valuation allowance shall be established for liens or claims from a third party. This allowance shall be credited for the amount of any expected payments to third-party claimants.

Revenue from the sale of property shall be recognized when the property is sold.

Property not held for sale may be

- placed into official use
- transferred to another state government agency, or
- distributed to a local enforcement agency

Property acquired by the government in satisfaction of a taxpayer’s liability shall be recorded when title to the property passes to the state. The property shall be valued at its fair value less any third-party liens. Upon sale of the property, revenue shall be recognized in the amount of the sale proceeds, and the property and the third-party liens are removed from the accounts.

Unclaimed and abandoned merchandise shall be valued at its fair value. Upon sale of the merchandise, revenue shall be recognized in the amount of the sales proceeds.

When a law enforcement or regulatory agency receives a fixed asset that has been forfeited, the agency receiving the asset should first determine the fair market value of the fixed asset and its remaining useful life, then file Form SFA-12 if its value equals or exceeds amounts listed on page 7, and it has a useful life of more than one year, stating on the Form SFA-12 that the asset was forfeited and from whom. Acquisition code 07 shall be used on the Form SFA-12 and the "memorandum only" box on the form shall be checked. Any subsequent transfer or sale of the fixed asset shall comply with these accounting policies and procedures. (See page 2 under

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Assigning Basis To Fixed Assets” for a discussion of determining the asset’s fair market value.)

DISPOSITION OF FIXED ASSETS

Property and equipment may be disposed of as follows:

Casualty Loss- Items which are destroyed through catastrophe or natural disaster. Items lost in this manner should be reported on form FA-70, Report of Retired Assets, to the Office of Accounts and Control in order to update the fixed asset database.

Lost or Stolen- Unaccounted for, lost or stolen items should be reported to the police. If after investigation they cannot be located, a copy of form FA-70, Report of Retired Assets and a copy of the police report is to be sent to the Office of Accounts and Control. The Office of Accounts and Control will update the inventory system.

Sale- Items of significant value that are sold by the Division of Purchases via public auction or bid. The items sold should be reported on form FA-70, Report of Retired Assets, to the Office of Accounts and Control in order to update the fixed asset database.

Scrap- Items having no salvage or disposal value may be discarded as scrap or scrapped for parts with permission from the Division of Central Services. The items scrapped should be reported on form FA-70, Report of Retired Assets to the Office of Accounts and Control in order to update the fixed asset database.

Trade-in- The item is given to the vendor that is supplying a new item to replace the old one as part of the purchase price paid for the new one. The item traded is to be reported on form SFA-12 , Capital Asset Acquisition Report. The Office of Accounts and Control will update the inventory system.

Transfer- The item which is no longer needed by the current owner agency can be transferred to another state department or agency. The items(s) transferred is (are) to be reported on Form FA-80, Report of Fixed Asset Transfers.

GENERAL:

There are two forms that are available, depending on the circumstances, to report surplus assets or disposal of fixed assets:

- (1) Form FA-70- Report of Retired Fixed Asset
- (2) Form FA-80-Report of Fixed Asset Transfers

Detailed instructions concerning the purpose and proper completion of the forms are included in Appendix I.

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There are six, two digit numeric codes, called Disposition Codes, which shall be used on the appropriate form to designate the method of disposition. These codes are outlined below:

- 21 Surplus - Used when fixed assets are declared surplus or obsolete by the agency.
- 22 Lost or stolen - Used to report involuntary retirement of a fixed asset.
- 23 Destroyed - Used to report destruction of a fixed asset.
- 24 Sold - Used to report a fixed asset sold through the State bidding process or other authorized method.
- 25 Traded - Used to report a fixed asset exchanged along with cash consideration for another fixed asset.
- 26 Transfers - Used when the physical location of a fixed asset changes between state agencies.

TRANSFERS:

A department or agency may transfer a fixed asset within the same department or agency or to another state agency or department. Transfers shall be reported on Form FA-80 under disposition code 26. Form FA-80 should be initiated by the releasing agency. Upon completion by the releasing agency, the FA-80 Form is sent to the receiving agency for additional information. Upon completion by the receiving agency, the FA-80 Form is submitted to the Office of Accounts and Control, Fixed Asset Unit.

When a transfer of a fixed asset occurs between units or sections within the same department or agency, Form FA-80 must be filed if the transfer affects the accuracy of the location as currently reported in the Statewide Fixed Asset Control and Tracking System, including the location and floor codes.

NOTE: Those Departments and Agencies that transfer equipment on a daily/weekly basis, within the same building, due to the nature of their operation, shall be exempt from this reporting requirement. The latest location of Fixed Assets in this category shall be reported when filing annual reports. All other transfers are not exempt from reporting.

RETIREMENT OF ASSETS:

Property and/or components with an original basis that qualifies for inclusion in the system that are Lost - Stolen, Destroyed or Sold, will be reported on Form FA-70 using the proper disposition code. The Form FA-70 shall be submitted to the Office of Accounts and Control, Fixed Asset Unit. All information relative to the fixed asset, including the original cost and label number, shall be included on the form.

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Items having no utilization potential by State agencies will be sold by the Division of Purchases to potential buyers in order to obtain the best possible market value.

Those items sold will be reported to the declaring (reporting) agency, which will prepare and process Form FA-70 in accordance with procedure.

The Division of Purchases will report sales, proceeds, and disposition of funds in accordance with established procedures.

CONDUCTING INVENTORIES

POLICY GUIDELINES - EQUIPMENT:

To comply with OMB Circulars and to ensure the accuracy of the equipment inventory system, the following guidelines have been established:

- Department inventories are conducted at least every two years.
- Department Fixed Asset Coordinators assist in conducting the physical inventories in their departments. The Office of the Accounts and Control will schedule and coordinate this effort.
- The Office of Accounts and Control resolves discrepancies identified between recorded and actual inventories discovered by submitting database changes, and
- Each item selected for inspection during the biennial inventory is reviewed to verify its existence, current utilization, and continued need for the property.

INVENTORY, TIMING, AND PROCEDURES

The inventory will be conducted as follows:

- The Office of Accounts and Control will have access to every building and/or room selected to be inventoried.
- The equipment located in each building/room will be checked for tag number, condition of the item, availability of the item, and other physical characteristics recorded on the Inventory Report.
- If untagged items meeting the capitalization criteria are identified during the sample inventory, these items will be tagged and appropriate data recorded into the inventory system.
- Once all selected equipment items have been inventoried, the Office of Accounts and Control will process changes to the FACTS System.

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- The Office of Accounts and Control will investigate the status of equipment items not verified through the same physical inventory prior to deleting the equipment from the inventory system.

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POLICY GUIDELINES – SPACES:

To ensure the accuracy of the Space Inventory, the system will be updated at least every two years to reflect modifications made periodically to the database.

INVENTORY TIMING AND PROCEDURES:

Biennial inventories of space will be conducted concurrently with the inventory of the equipment. The Office of Accounts and Control will also coordinate and schedule this effort.

The space inventory will be conducted by the Office of Accounts and Control according to the following procedures:

- The Office of Accounts and Control will have access to every room in the building selected.
- The room measurements will be taken (utilizing established measuring techniques) and compared to the dimensions in the space inventory system of the Division of Central Services and the FACTS System.
- The Office of Accounts and Control will conduct an interview with the appropriate department person to determine the activity, description, and department in control of the space selected for review.
- The Office of Accounts and Control will resolve discrepancies discovered between the actual and recorded space data.

LABELING INSTRUCTIONS

GENERAL:

The primary purpose of labeling is to maintain a positive identification of assets owned by the state. Labeling is important for:

- Providing an accurate method of identifying individual assets;
- Facilitating the physical inventory process on a periodic basis;
- Controlling the location of all physical assets;
- Assisting in maintaining fixed assets;
- Providing a common ground of communication for both the fiscal staff and the asset users.

All fixed assets other than the categories of assets listed in Appendix II must be physically labeled with a State Bar Code Label. The Office of Accounts and Control, Fixed Asset Unit, will affix bar-code labels to the fixed assets reported on the Form SFA-12 received from the agency. The labels should be affixed in the proper location to allow for re-examination and Bar Code scanning.

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If part of a fixed asset is stolen that has the bar coded label affixed to it, a new label will be assigned to the replacement part, regardless of its cost.

The placement of the label is very important. Appendix III contains guidelines concerning the placement of the labels on various categories of assets. Labels

**REPORTS GENERATED BY THE STATEWIDE
FIXED ASSET ACCOUNTING SYSTEM**

GENERAL:

On an biennial basis, each department and agency will receive a complete listing by primary appropriation account number, location, and floor code, and category of all assets reflected in the System from the Office of Accounts and Control.

The asset listing prepared every other year, will contain a certification to be completed by the Department Director indicating that the listing is a complete and accurate inventory of the assets held by that agency. The completed certification shall be returned to the Office of Accounts and Control, Fixed Asset Unit within 45 days after receipt of the listing.

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FORMS INSTRUCTIONS

**PLEASE NOTE: NO QUANTITY GREATER THAN "ONE" SHOULD BE
ENTERED FOR EACH FIXED ASSET THAT IS REPORTED ON ANY OF
THE FOLLOWING FORMS.**

FORMS:

TYPES OF FORMS -- Fixed Assets

FORM NAME -- Report of Fixed Assets Transfers

FORM NUMBER -- FA-80

REPLACES -- A-61

PURPOSE -- List fixed assets that have been transferred from one location to another.

FREQUENCY -- Filed upon occurrence.

CONTENTS -- Lists fixed assets transferred from one location to another within an agency or from one Department to another. Information relative to the fixed asset in addition to the location is outlined for the releasing agency as well as the receiving agency.

FORM HEADINGS -

RELEASING AGENCY SECTION.

Fund/Agency Releasing fund/agency number
Name Releasing agency identified by name
Address Releasing agency address

COLUMN HEADINGS -

Code 26 Code signifying a transfer of fixed asset(s).

Description of Property Characterizes the fixed assets being transferred.
(Limit of 40 characters)

Serial Number Manufacturer's serial number located on fixed
asset, if applicable.

Location Code Unique seven-digit number assigned to the
location at the releasing agency where the asset is
presently situated.

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RECEIVING AGENCY SECTION:

Fund/Agency Receiving agency fund/agency number.
Name Receiving agency identified by name.
Address Receiving agency address.

COLUMN HEADINGS:

Label Numbers Affixed bar code label number.
Code 05 Acquisition code, fixed asset acquired by transfer.
New Location of Assets New physical location of fixed asset(s).
Location Code Seven digit number signifying new location of
fixed asset(s).
Floor Code Floor where fixed asset is located.

DISTRIBUTION OF FORMS:

Original Office of Accounts and Control, Fixed Asset Unit
Copy Releasing Agency
Copy Receiving Agency

Note: No quantity greater than “one” should be entered for each fixed asset reported on this form.

SIGNING:

Releasing Agency Authorized Agent and date.
Receiving Agency Authorized Agent and date.

FORMS AVAILABILITY:

Office of Accounts and Control

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FIXED ASSET SUPPLEMENT TO FORM A-12

FORM NAME: Fixed Asset Supplement to Form A-12

FORM NUMBER SFA-12

REPLACES Form A-59

PURPOSE Provides detailed information relative to fixed assets for entry into System.

FREQUENCY Current - When generated by agency for processing at the time asset acquired.

CONTENTS: Lists all fixed assets acquired by agency, providing all relevant information needed for entry into System.

FORM HEADINGS:

Vendor Invoice. -- Enter the document assigned to the RI SAIL payment document for payment of Fixed Assets Purchased. If the "Memorandum Only" box is checked off, the system will be updated without a payment document generated by the RI SAIL System.

Vendor ID# -- Six-digit number assigned to the vendor in the RI SAIL system.

Purchase Order No. -- The purchase order number assigned by the RI SAIL system.

Location of asset(s) -- Complete description or address of where asset is physically located or placed.

Fund/Agency -- Four-digit code corresponding to the first four digits of the appropriation account number of the agency, which is responsible for custody of the asset.

Line item/sequence/source -- This number is part of the "appropriation account number" assigned to each state department/agency. Its an eight-digit number assigned by the Budget Office to designate 1) the source of funding and 2) a budgetary appropriation line within the annual budget appropriations act. The third component, sequence, is the next sequential number in a series of account numbers with the same "line item" number.

Natural Account -- Six-digit number used for accounting purposes to indicate the natural and/or purpose of an accounting transaction in the RI SAIL system.

Function Code -- Two-digit code to designate the program category that will receive benefit from use of the assets.

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Acquisition Code -- Two-digit code to identify the fixed asset acquisition by type.

Title Code -- Two-digit code to identify who owns the asset.

Category Code -- Three-digit code to designate the type of asset acquired.

Location Code -- Five-digit code to designate the building site at which the asset(s) is located.

Floor Code -- Two-digit code designating the floor location of the asset.

Serial Number -- Manufacturer's serial number on fixed asset, if applicable.

Description of Assets -- Characterizes a fixed asset (limited to thirty characters). No more than five different items should be listed. The description should include the manufacturer (or make) and model number of each item listed. For additional reporting of fixed assets, use supplement to Form SFA-12 described herein.

Bar Code Label Number - Bar coded label number (seven) digits assigned to fixed asset(s) by the Office of Accounts and Control.

Individual Price -- Cost of acquired item to be recorded in FACTS. Includes all components associated with the one item to be recorded in FACTS (PC includes CPU, monitor, and keyboard).

Disposal Code 25 -- Signifies code for trade-ins.

Serial Number -- Of asset(s) traded in.

Description of asset traded in.

Bar-code Label Number-- Of asset(s) traded in.

Total Price -- Amount allowed for trade in.

Net Amount -- Net dollar amount after discounts and adjustments, if any.

Check Box for SFA-12 Memorandum Only.

Note: No quantity greater than "one" should be entered for each fixed asset reported on this form.

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SIGNING:

Received by: (Employee who receives equipment upon delivery)

Delivery Date:

Authorized Agent: (Employee who has been authorized to approve transaction)

DISTRIBUTION OF FORMS:

Original and copy to Controller

FORMS AVAILABILITY: Office of Accounts and Control

**FIXED ASSET CONTROL AND TRACKING SYSTEM
(F.A.C.T.S.)**

APPENDIX I

REPORT OF SURPLUS FIXED ASSETS

FORM NAME: Report of Retired Fixed Assets

FORM NUMBER: FA-70

REPLACES: Form A-60

PURPOSE: The retirement form provides for the reporting of fixed assets that have been placed out of service and are to be removed from the System. **NOTE: STATE AGENCIES SHOULD CONTACT THE DIVISION OF CENTRAL SERVICES WITHIN THE DEPARTMENT OF ADMINISTRATION CONCERNING THE POLICES AND PROCEDURES FOR DISPOSING OF SURPLUS OR OBSOLETE ASSETS.**

FREQUENCY: Current – generated by agency for processing when retirement of fixed assets occur.

CONTENTS: Lists fixed assets that have been retired by loss, theft, sold, or destroyed.

FORM HEADINGS:

Fund/Agency No.Appropriation account of agency preparing report.
Department:Name of reporting department or agency.
Division:office of unit within department reporting retirement.

COLUMN HEADINGS:

Disposal Code – List two digit disposal code to report nature of fixed asset retirement.

Serial Number – Manufacturer’s serial number on fixed asset, if available.

Description of Each Asset – Describes the nature of the fixed asset (limited to 30 characters).

Barcode Label Numbers – The seven-digit number of the bar-coded label that was placed on the fixed asset when inventoried.

Estimated Market Value – Dollar value of fixed asset at time of retirement. This is not the cost or basis of the asset.

Location of Fixed Asset – Address where fixed asset was physically located at time of retirement.

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Bar Code Label Number – For assets sold, the seven-digit bar-coded label number that was placed on fixed asset when inventoried.

Note: No quantity greater than “one” should be entered for each fixed asset reported on this form.

SIGNING:

Approved by:	Department/Agency Director
Reported by:	Fixed Asset Coordinator

DISTRIBUTION OF FORMS:

Original	Accounts and Control, Fixed Asset Unit
Copy	Agency

FORMS AVAILABILITY: Office of Accounts and Control

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APPENDIX II

**FIXED ASSETS NOT REQUIRED TO BE LABELED
OR RECORDED IN THE FIXED ASSET SYSTEM**

The following items should not be labeled due to their physical characteristics, general use, or location of the item. However, information concerning all items in these categories shall be reported on a Form SFA-12 and shall be included in the Statewide Fixed Asset Control and Tracking System should they meet the Fixed Asset threshold value.

- Antennae
- Books
- Building Improvement and Renovations
- Buildings
- Computer Equipment to be installed internally within a computer (e.g. expansion board)
- Computer Software
- Handguns and Rifles
- Land
- Land Improvements
- Modular Work Stations

The following categories of Fixed Assets should not be labeled or recorded in the Fixed Asset System:

- Blinds
- Carpeting
- Curtains
- Drapes
- Hearing Aids, Contact lenses, Eye Glasses

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APPENDIX III

PLACEMENT OF LABELS

GENERAL:

The following are instructions for the placement of State property identification labels. These instructions describe the location of labels for various fixed assets from the vantage point of facing the front of the asset (unless specifically noted otherwise). When placing the label, press firmly to ensure complete adhesion.

OFFICE FURNITURE AND EQUIPMENT

1. Air Conditioners -- Place on front near control panel.
2. Appliances -- Stoves, Refrigerators, Washing Machines, Dryers, Microwaves, Etc. Place on upper left corner on right side of appliance toward front.
3. Bookcases -- Place on upper left corner on front.
4. Cabinets -- File: Place at upper left corner on front. Lateral: Place at upper left corner on front. Storage: Place inside of right door at upper right corner.
5. Calculators, Dictating Machines, Transcribers, Cassette Recorders, Tape Recorders, etc. -- Place underneath machine.
6. Cameras -- Place on bottom of camera.
7. Chairs -- Executive: Place at base of stem connecting to legs. Steno: Place on any leg. Swivel, Side Arm: Place on upper left part of metal frame of back seat. Stacking: Place outside at top of back support.
8. Check Signers and Protectors -- Place underneath machine.
9. Computers -- Place on front of Central Processing Unit (CPU). Terminals: Place on front of terminal base. Laptop or Notebook -- Place on keyboard.
10. Copiers -- Place at upper left corner on front.
11. Credenzas -- Place at left upper corner on front.
12. Desks -- Place inside of middle drawer on left side toward front of drawer. For desks without middle drawer, place on left side of knee-hole toward front of desk.

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13. Fax Machines -- Place on front.
14. Furniture -- Such as Sofas, Stuffed Chairs, Etc., place at the side of the left front leg.
15. Lamps -- underneath base of lamp.
16. Microfilm Readers -- Place on left side of base on front.
17. Microphones -- If microphone and base is one unit, place on base. For microphones only, place on stem.
18. Projector Stands -- Place on upper corner.
19. Projectors -- Place underneath base of projector.
20. Shelving Units -- Top left corner in front of each separate freestanding unit.
21. Storage Bins -- Place at left upper corner on front.
22. Tables -- Square: Place on underside of any corner.
Round: Underside.
23. Televisions -- Place on upper left corner on front.
24. Typewriters -- Place on exterior of typewriter, left, or right side.
25. Typing Stands -- underneath stand on left side.
26. Typing Returns -- On exterior of side panel, place on upper left corner.
27. VCR's -- Place at upper left corner on front.

OPERATING & MAINTENANCE EQUIPMENT

1. Air Compressors -- By manufacturer's I.D. plate.
2. Autos -- On front door jam of driver's side door.
3. Band Saws -- On front in a visible location.
4. Boats -- Alongside registration sticker. For unregistered boats, place where sticker would be located.

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5. Buffers/Grinders -- On motor by manufacturer's I.D. plate.
 6. Buses -- Same as auto or middle of dashboard.
 7. Chain Saws -- By manufacturer's I.D. plate.
 8. Construction Heavy Equipment -- On steering column or control column.
 9. Drafting Tables -- Underside of any corner.
 10. Drill Presses -- On front in a visible location.
 11. Electric Drills -- By manufacturer's I.D. plate.
 12. Electric Grinders -- By manufacturer's I.D. plate.
 13. Floor Buffers -- By manufacturer's I.D. Plate on motor.
 14. Generators -- By manufacturer's I.D. plate.
 15. Hand Held Portable Radios -- Bottom of unit.
 16. Heavy Metal Cutters -- By manufacturer's I.D. plate.
 17. Hydraulic & Mechanical Presses -- By manufacturer's I.D. plate located on frame.
 18. Jointers -- On front in a visible location.
 19. Lathes -- On front in a visible location.
 20. Mobile Radio Units -- Upper left corner on front.
 21. Mowers -- By manufacturer's I.D. plate.
 22. Planers -- On front in a visible location.
 23. Pumps -- By manufacturer's I.D. plate.
 24. Radial Arm Saws -- On front in a visible location.
 25. Sanders -- On front in a visible location.
 26. Shapers -- On front in a visible location.
 27. Street Sweepers -- Steering column.
 28. Table Saws -- On front in a visible location.
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- 29. Trailers -- Place near registration plate.
- 30. Trucks -- Same as auto or middle of dashboard.
- 31. Vacuum Cleaners -- By manufacturer's I.D. plate located on motor housing.
- 32. Weed Eaters -- By manufacturer's I.D. plate.
- 33. Welders -- Upper right hand corner on front panel.
- 34. Workbenches -- Underside of any corner.

AUTOMOTIVE SERVICE EQUIPMENT

- 1. Battery Chargers -- By manufacturer's I.D. plate.
- 2. Brake Service Equipment -- By manufacturer's I.D. plate.
- 3. Distributor Tester -- By manufacturer's I.D. plate.
- 4. Engine Analyzers -- By manufacturer's I.D. plate or main unit.
- 5. Generator, Regulator Tester -- By manufacturer's I.D. plate.
- 6. Lubrication Equipment -- By manufacturer's I.D. plate.
- 7. Paint Spray Booths -- Outside in a conspicuous location.
- 8. Power Lifts -- By manufacturer's I.D. plate.
- 9. Service Jacks -- By manufacturer's I.D. plate.
- 10. Tire Changers -- By manufacturer's I.D. plate.
- 11. Valve Refacers -- By manufacturer's I.D. plate.
- 12. Wheel Alignment Units -- By manufacturer's I.D. plate.
- 13. Wheel Balancers -- By manufacturer's I.D. plate.

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Laboratory and Test Equipment:

1. Centrifuges -- by manufacturer's I.D. plate on base.
2. Electronic Equipment -- on front.
3. Hardness Testers -- by manufacturer's I.D. plate located by controls.
4. Meters -- on back panel.
5. Oscilloscopes -- by manufacturer's I.D. plate.
6. Ovens and Dryers -- by manufacturer's I.D. plate located on lower front panel.
7. Power Supplies -- by manufacturer's I.D. plate located on back.
8. Sound Generators -- by manufacturer's I.D. plate.
9. Spectrophotometers -- by manufacturer's I.D. plate.
10. Stills -- by manufacturer's I.D. plate.

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APPENDIX IV

GENERAL LAWS PERTAINING TO FIXED ASSETS

GL-30-24-6. Acceptance of gifts -- Veterans' home fund.

The said director of social and rehabilitative services is hereby authorized and empowered to take and receive in the name of the state any grant, devise, gift or bequest of real or personal property that may be made for the use and benefit of the Rhode Island Veterans' Home or the residents or purposes thereof. All money so received, and all money received under the provisions of § 30-24-9, shall be paid over to the general treasurer and shall be kept by him as a special fund to be known as the "veterans' home fund." The director, with the approval of the governor, may sell and dispose of any real or personal property received under this section, and any property received under § 30-24-9, and the proceeds of such sale be paid over to the general treasurer to be made a part of said fund. The said fund shall be used for the improvement of the social, recreational and educational programs, including the purchase of educational and recreational supplies and equipment for the welfare of members and deemed necessary by the director of social and rehabilitative services.

GL-30-24-9. Property of deceased inmates.

All goods, chattels, property, money, and effects of a deceased inmate of the Rhode Island Veterans' Home, which have not been otherwise disposed of by him, shall upon his decease become the property of the State of Rhode Island and shall, by the Director of Social and Rehabilitative Services or his Designee, be applied to the uses and purposes of said home; provided, however, that said Director may in his discretion deliver to any surviving relative of said deceased member any article or articles of such property or effects as may serve as a memento of said deceased inmate.

GL-35-4-6. Acceptance of gifts and bequests.

The general treasurer is hereby further authorized and empowered, with the approval of the governor, to accept on behalf of the state any gift or bequest of personal property, money, securities or other similar gift or bequest, given to the state absolutely by any state employee, person or organization relative to the care, preservation or use of such gift, bequest or property; provided, further, however, that the right shall be reserved by the general treasurer, and/or the governor, to refuse any such gift or bequest so offered to the state.

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GL-37-1-1. Acceptance by governor -- Report to general assembly.

Whenever any grant, devise, bequest, donation, or gift or assignment of money, bonds, or chooses in action, or of any property, real or personal, shall be made to this state, the governor is hereby authorized, if he shall deem it for the best interests of the state, to receive and accept the same so that the right and title to the same shall pass to this state; and all such bonds, notes, or chooses in action, or the proceeds thereof, and all other property or thing of value, so received by the state as aforesaid, shall be reported by the governor to the general assembly.

G.L 37-2-54 Chief Purchasing Officer – Purchases –

37-2-54(f) The department of administration shall have the power, with the approval of the state properties committee, to: transfer between departments; salvage; exchange, and to condemn supplies, equipment, and real property.

G.L. 37-2-54(g) The department of administration shall sell or otherwise dispose of all property (including any interest in real property) of the state which is not needed or has become unsuitable for public use, or would be more suitable consistent with the public interest for some other use, determined by the state properties committee. The determination of the state properties committee shall be set forth in an order and shall be reached only after review of a written request by the agency desiring to dispose of the property. The request shall describe the property and state the reasons why the agency believes disposal should be effected. All instruments required by law to be recorded which convey any interest in any real property so disposed or shall be executed and signed by chief purchasing officer and approved by the governor. Unless the chief purchasing officer deems it is in the best interest of the state to proceed otherwise, all such property (including any interest in real property) shall be sold either by invitation of sealed bids or by public auction; provided, however that the selling price of any interest in real property shall not be less than the appraised value thereof as determined by the department of administration or the department of transportation for the requirements of that department.

GL-37-7-6. Transfer of land between departments and agencies.

The governor, upon the request in writing of any interested general officer or the head of any department, board, bureau, commission, or agency of the state government, may execute a certificate transferring custody and control of and supervision over any land, and all buildings and improvements thereon and other real property, title to which is vested in the state of Rhode Island, or the title to which will be vested in the state upon completion of any condemnation or other proceeding then pending, from the department, board,

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bureau, commission, or agency exercising custody, control, or supervision to another department, board, bureau, commission, or agency of the state government.

GL-37-7-7. Filing, publication, and recording of transfers between departments and agencies -- Costs.

The governor shall file the certificate referred to in § 37-7-6 with the secretary of state who shall place the certificate on file and who shall cause a true copy of the certificate to be published at least once in a newspaper published in the county in which the land or property is situated, and shall file a certified copy of the certificate for record in the office of the recorder of deeds or town clerk in the city or town where the land or property is situated. The date and hour of the filing of the certified copy shall be noted thereon, and the filing shall be deemed to constitute a transfer of the custody and control of and supervision over the land described therein in accordance with the provisions of the certificate as of the day and hour noted upon the certified copy. No fee shall be charged or collected for the filing or recording. The cost of the publication shall be borne by the department, board, bureau commission, or agency to which custody, control, or supervision has been transferred

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APPENDIX V

**FEDERAL RULES, REGULATIONS AND GUIDELINES
PERTAINING TO FIXED ASSETS**

**OMB CIRCULAR NO. A-87 – COST PRINCIPLES FOR
STATE, LOCAL, AND INDIAN TRIBAL GOVERNMENTS**

Attachment B, Paragraph 19, 22, and 24

19. Equipment and other capital expenditures.

a. As used in this section the following items have the meanings as set forth below:

- (1) “Capital expenditure” means the cost of the asset including the cost to put it in place. Capital expenditure for equipment means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Ancillary charges, such as taxes, duty, protective in transit insurance, freight, and installation may be included in, or excluded from, capital expenditure cost in accordance with the governmental unit’s regular accounting practices.
- (2) “Equipment” means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals the lesser of (a) the capitalization level established by the governmental limit for financial statement purposes, or (b) \$5,000.
- (3) “Other capital assets” mean buildings, land, and improvements to buildings or land that materially increase their value or useful life.

- b. Capital expenditures which are not charged directly to a Federal award may be recovered through use allowances or depreciation on buildings, capital improvements, and equipment (see section 15). See also section 38 for allowability of rental costs for buildings and equipment.
 - c. Capital expenditures for equipment, including replacement equipment, other capital assets, and improvements which materially increase the value or useful life of equipment or other capital assets are allowable as a direct cost when approved by the awarding agency. Federal awarding agencies are authorized at their option to waive or delegate this approval requirement.
 - d. Items of equipment with an acquisition cost of less than \$5,000 are considered to be supplies and are allowable as direct costs of Federal awards without specific awarding agency approval.
- (b) The amortized portion of any equipment written off as a result of a change in capitalization levels may be recovered by (1) continuing to claim the otherwise allowable use allowances or depreciation charges on the equipment or by

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- 2) amortizing the amount to be written off over a period of years negotiated with the cognizant agency.
- (c) When replacing equipment purchased in whole or in part with Federal funds, the governmental unit may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.
22. *Gains and losses on disposition of depreciable property and other capital assets and substantial relocation of Federal programs.*
- a.(1) Gains and losses on the sale, retirement, or other disposition of depreciable property shall be included in the year in which they occur as credits or charges to the asset cost grouping(s) in which the property was included. The amount of the gain or loss to be included as a credit or charge to the appropriate asset cost grouping(s) shall be the difference between the amount realized on the property and the undepreciated basis of the property.
- (d) Gains and losses on the disposition of depreciable property shall not be recognized as a separate credit or charge under the following conditions:
- (e) The gain or loss is processed through a depreciation account and is reflected in the depreciation allowable under sections 15 and 19.
- (f) The property is given in exchange as part of the purchase price of a similar item and the gain or loss is taken into account in determining the depreciation cost basis of the new item.
- (g) A loss results from the failure to maintain permissible insurance, except as otherwise provided in subsection 25.d.
- (h) Compensation for the use of the property was provided through use allowances in lieu of depreciation.
- b. Substantial relocation of Federal awards from a facility where the Federal Government participated in the financing to another facility prior to the expiration of the useful life of the financed facility requires Federal agency approval. The extent of the relocation, the amount of the Federal participation in the financing, and the depreciation charged to date may require negotiation of space charges for Federal awards.
- c. Gains or losses of any nature arising from the sale or exchange of property other than the property covered in subsection a., e.g., land or included in the fair market value used in any adjustment resulting from a relocation of Federal awards covered in subsection b. shall be excluded in computing Federal award costs.
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24. *Idle facilities and idle capacity.*

a. As used in this section the following terms have the meanings set forth below.

- (1) “Facilities” means land and buildings or any portion thereof, equipment individually or collectively, or any other tangible capital assets, wherever located, and whether owned or leased by the governmental unit.
- (2) “*Idle facilities*” means completely unused facilities that are excess to the governmental unit’s current needs.

“*Idle capacity*” means the unused capacity of partially used facilities. It is the difference between (a) that which a facility could achieve under 100 percent operating time on a one-shift basis less operating interruptions resulting from time lost for repairs, setups, unsatisfactory materials, and other normal delays and (b) the extent to which the facility was actually used to meet demands during the accounting period. A multi-shift basis should be used if it can be shown that this amount of usage would normally be expected for the type of facility involved.

- (3) “Cost of idle facilities or idle capacity” means costs such as maintenance, repair, housing, rent, and other related costs, e.g., insurance, interest, and depreciation or use allowances.

b. The costs of idle facilities are unallowable except to the extent that:

- (1) They are necessary to meet fluctuations in workload; or
 - (2) Although not necessary to meet fluctuations in workload, they were necessary when acquired and are now idle because of changes in program requirements, efforts to achieve more economical operations, reorganization, termination, or other causes, which could not have been reasonably foreseen. Under the exception stated in this subsection, costs of idle facilities are allowable for a reasonable period of time, ordinarily not to exceed one year, depending on the initiative taken to use, lease, or dispose of such facilities.
- a. The costs of idle capacity are normal costs of doing business and are a factor in the normal fluctuations of usage or indirect cost rates from period to period. Such costs are allowable, provided that the capacity is reasonably anticipated to be necessary or was originally reasonable and is not subject to reduction or elimination by use on other Federal awards, subletting, renting, or sale, in accordance with sound business, economic, or security practices. Widespread idle capacity throughout an entire facility or among a group of assets having substantially the same function may be considered idle facilities.
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APPENDIX V

**OMB UNIFORM ADMINISTRATIVE REQUIREMENTS
FOR GRANTS AND COOPERATIVE AGREEMENTS
TO STATE AND LOCAL GOVERNMENTS (“OMB COMMON RULE”)**

Section 32: Equipment.

- (a) *Title.* Subject to the obligations and conditions set forth in this section, title to equipment acquired under a grant or subgrant will vest upon acquisition in the grantee or subgrantee respectively.
- (b) *States.* A State will use, manage, and dispose of equipment acquired under a grant by the State in accordance with State laws and procedures. Other grantees and subgrantees will follow paragraphs (c) through (e) of this section.
- (c) *Use.*
 - (1) Equipment shall be used by the grantee or subgrantee in the program or project for which it was acquired as long as needed whether or not the project or program continues to be supported by Federal funds. When no longer needed for the original program or project, the equipment may be used in other activities currently or previously supported by a Federal agency.
 - (2) The grantee or subgrantee shall also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use shall be given to other programs or projects supported by the awarding agency. User fees should be considered if appropriate.
 - (3) Notwithstanding the encouragement in Section 25(a) to earn program income, the grantee or subgrantee must not use equipment acquired with grant funds to provide services for a fee to compete unfairly with private companies that provide equivalent services, unless specifically permitted or contemplated by Federal statute.
 - (4) When acquiring replacement equipment, the grantee or subgrantee may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval of the awarding agency.
- (d) *Management requirements.* Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, until disposition takes place will, at a minimum, meet the following requirements:
 - (1) Property records must be maintained that include a description of the

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property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of property, or percentage of Federal participation in the cost of the property, the location, use, and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

A physical inventory must be taken and the results reconciled with the property records at least once every two years.

- (2) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.
 - (3) Adequate maintenance procedures must be developed to keep the property in good condition.
 - (4) If the grantee or subgrantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.
- (e) *Disposition.* When original or replacement equipment acquired under a grant or subgrant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:
- (1) Items of equipment with a current per unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.
 - (2) Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment.
 - (3) In cases where a grantee or subgrantee fails to take appropriate disposition actions, the awarding agency may direct the grantee or subgrantee to take excess and disposition actions.
- (f) *Federal equipment,* in the event a grantee or subgrantee is provided federally-owned equipment.
- (1) Title will remain vested in the Federal Government.
 - (2) Grantees or subgrantees will manage the equipment in accordance with Federal agency rules and procedures, and submit an annual inventory listing.
-

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- (3) When the equipment is no longer needed, the grantee or subgrantee will request disposition instructions from the Federal agency.
- (g) *Right to transfer title.* The Federal awarding agency may reserve the right to transfer title to the Federal Government or a third party named by the awarding agency when such a third party is otherwise eligible under existing statutes. Such transfers shall be subject to the following standards:
 - (1) The property shall be identified in the grant or otherwise made known to the grantee in writing.
 - (2) The Federal awarding agency shall issue disposition instruction within 120 calendar days after the end of the Federal support of the project for which it was acquired. If the Federal awarding agency fails to issue disposition instructions within the 120 calendar-day period, the grantee shall follow Section 32(e).
 - (3) When title to equipment is transferred, the grantee shall be paid an amount calculated by applying the percentage of participation in the purchase to the current fair market value of the property.

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APPENDIX VI

WORKSHEET

How to Identify a Fixed Asset

If you are uncertain whether the acquisition is a fixed asset, answer each of the following questions to make this determination.

	<u>YES</u>	<u>NO</u>
1. Are you acquiring or constructing:		
(a) Land?	<input type="checkbox"/>	<input type="checkbox"/>
(b) A Building?	<input type="checkbox"/>	<input type="checkbox"/>
(c) A renovation that costs over \$100,000 and extends the useful life of the component which involves the enhancement of a major part or component of a building?	<input type="checkbox"/>	<input type="checkbox"/>
(d) An improvement at a cost of over \$100,000 involving the addition of a building component or section that did not previously exist at a cost of over \$100,000?	<input type="checkbox"/>	<input type="checkbox"/>
(e) Equipment having a unit historical cost of over \$5,000 (computers \$500) and a useful life of one year or more?	<input type="checkbox"/>	<input type="checkbox"/>
(f) An equipment improvement which costs over \$5,000 (computers \$500) and extends the useful life of one year or more?	<input type="checkbox"/>	<input type="checkbox"/>
(g) A road, street, or highway?	<input type="checkbox"/>	<input type="checkbox"/>
(h) A bridge?	<input type="checkbox"/>	<input type="checkbox"/>
(i) A sidewalk, curb, or gutter?	<input type="checkbox"/>	<input type="checkbox"/>
(j) A water sewage or drainage system?	<input type="checkbox"/>	<input type="checkbox"/>
(k) A dam or levee?	<input type="checkbox"/>	<input type="checkbox"/>
(l) A monument or lighting system?	<input type="checkbox"/>	<input type="checkbox"/>

If you answered **YES** to any one of questions #1(a) through 1(l), then you are acquiring a fixed asset. Therefore, you must follow the procedures in your handbook for acquiring a fixed asset that has to be accounted for under state policy.

If you answered **NO** to any one of these questions, you are not acquiring a fixed asset.

If you are unsure about the correct answer to any of the questions above, please review your handbook or contact Accounts and Control Fixed Asset Unit at 222-4800 or 222-4802.

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APPENDIX VII

PORTABLE COMPUTER EQUIPMENT SECURITY POLICY

1. Objective: Protection of portable computer equipment.

Laptop, pentop, and notebook computers are highly mobile technological devices which allow for greater employee efficiency. Because of the ability to transport the computers freely from site to site, these business tools are at greater risk of being damaged or stolen. Beyond the hardware and software loss that may result from theft or damage, is the business interruption that occurs with the loss of valuable data or information. Liability may also result from the abstraction, misuse, or release of confidential information.

The following policy is intended to provide a basis by which state agencies may reduce the likelihood of property loss, business interruption, and unauthorized release of confidential information.

2. Policy:

State agencies will inventory and maintain a current list of laptop, pentop, and notebook computers. State departments will also keep a list of employees authorized to take portable computer equipment out into the field. The state agency should record the equipment released to / returned by employees. Employees assigned portable computers will be held accountable for the safety and security of the state equipment released to their care, custody, or control.

The inventory of the data processing equipment will include the make, model, and serial number of the device.

The portable computer as part of its inventory will have a fixed asset barcode number label.

Products are available on the market that provides labeled security plates that are difficult to remove without damaging the computer case. Some labels when physically removed can leave a chemical etching on the case that reduces the sale of the purloined device.

2.1 Office

Laptop computers and other mobile computer devices used within the office should not be left unattended for protracted periods of time (i.e., overnight). Depending upon the accessibility of an agency's offices to the general public, and the security of the facility, it may be necessary to secure portable computers during lunch breaks or other periods of time when the devices will be left unattended.

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APPENDIX VII

Secured closets of substantial construction with no internal window, or cabinets, protected by a locking mechanism that has limited keys should be designated for portable equipment storage when the computers are left in the office.

In the event that more than one employee may have access to the same computer equipment, a checkout protocol needs to be instituted to ensure that the assignment and location of the units can be tracked.

2.2 Travel

Mobile electronic computer equipment utilized in field operations should be transported in nondescript padded cases that do not identify the units as portable computers.

Portable computer equipment should not be left inside vehicles where passersby can see them. Laptop computers and other forms of mobile data processing equipment should only be stored within trunks when it is absolutely necessary to leave them in the vehicle.

Because of heat considerations, computer equipment should not be left where direct sunlight or temperatures in excess of 80 degrees Fahrenheit will occur.

Computers taken on business trips should not be checked as luggage. Computers taken through airport security check points should be removed from the case and handed to the security guard while the state employee walks through metal detectors.

Portable computers should not be left unattended while traveling to or while in attendance at a business meeting.

Computers should not be left visible in a hotel room.

Portable computers at luncheon meetings or breaks should be secured within the function room. A request to security at the meeting to lock the meeting room during breaks should be made.

2.3 Home

A surge protector as part of the power pack or as a separate unit should be included with the equipment released.

Computers should not be left where liquids or beverages can be spilled on them.

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Portable computers should be stored in the home in an area in which they are not readily visible. In this way, the chances of the computer being stolen during a break-in will be reduced.

2.4 Confidentiality

Employees who are privy to confidential information should be required to attest to the fact that they will not release the information within their custody to any unauthorized individual.

Unique passwords should be assigned to those individuals designated use of portable computers.

Data encryption may be warranted in certain circumstances.

Security software applications may be needed depending upon the confidentiality of the information contained within the computer. Software incorporated into the portable computer may automatically test for computer viruses. Each state agency must decide upon the importance of the information within the domain of their portable computers to determine the merits of obtaining security applications.

Periodic testing of portable computers for software viruses should be part of the maintenance of these devices. This is especially important if the portable devices are accessing the Internet, Internet or LAN systems in which other state agency computers may become infected with rogue data or programs.

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APPENDIX VIII

CODES FOR USE WITH F.A.C.T.S. SYSTEM

CITY/TOWN CODES FOR USE IN F.A.C.T.S. LOCATION CODE

CODE CITY OR TOWN

01	.....	BARRINGTON
02	.....	BRISTOL
03	.....	BURRILLVILLE
04	.....	CENTRAL FALLS
05	.....	CHARLESTOWN
06	.....	COVENTRY
07	.....	CRANSTON
08	.....	CUMBERLAND
09	.....	EAST GREENWICH
10	.....	EAST PROVIDENCE
11	.....	EXETER
12	.....	FOSTER
13	.....	GLOCESTER
14	.....	HOPKINTON
15	.....	JAMESTOWN
16	.....	JOHNSTON
17	.....	LINCOLN
18	.....	LITTLE COMPTON
19	.....	MIDDLETOWN
20	.....	NARRAGANSETT
21	.....	NEWPORT
22	.....	NEW SHOREHAM (Block Island)
23	.....	NORTH KINGSTOWN
24	.....	NORTH PROVIDENCE
25	.....	NORTH SMITHFIELD
26	.....	PAWTUCKET
27	.....	PORTSMOUTH
28	.....	PROVIDENCE
29	.....	RICHMOND
30	.....	SCITUATE
31	.....	SMITHFIELD
32	.....	SOUTH KINGSTOWN
33	.....	TIVERTON
34	.....	WARREN
35	.....	WARWICK
36	.....	WESTERLY
37	.....	WEST GREENWICH
38	.....	WEST WARWICK
39	.....	WOONSOCKET
40	WEST SPRINGFIELD

Source: Department of Administration, Office of Municipal Affairs

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APPENDIX VIII

CODES FOR USE WITH F.A.C.T.S. SYSTEM

ACCOUNT NUMBERS WITH CORRESPONDING FUNCTION CODES

FUNCTION CODES	RI-SAIL ACCT. NOS. (FUND/AGENCY)	LEGACY ACCOUNT NUMBERS	FUNCTION CODES	RI-SAIL ACCT. NOS. (FUND/AGENCY)	LEGACY ACCOUNT NUMBERS
2	1076	1000	2	N/A	2832
2	1075	1100	5	1051	2835
2	1069	1200	2	1046	2840
4	1077	1300	1	1044	2841
3	1072	1400	1	N/A	2850
1	1073	1600	1	N/A	2851
5	1074	1700	1	1041	2855
1	1071	1800	1	N/A	2860
1	1012	2010	1	1043	2865
1	N/A	2012	4	1048	2870
1	N/A	2013	3	1053	2875
4	1018	2024	1	1042	2890
1	1013	2025	5	1050	2897
1	N/A	2030	2	1045	2899
2	1022	2041	2	1078	3200
1	1024	2042	2	1079	3300
2	1025	2043	3	1085	3400
2	1023	2044	1	N/A	5100
3	1026	2061	5	1592	5200
3	1027	2062	6	1270	5300
3	1027	2063	6	1270	5400
4	1015	2070	6	1270	5800
4	1019	2082	1	1473	8000
4	1020	2083	1	6473	8200
4	1021	2084	5	6473	8700
4	1017	2085	2	N/A	9011
4	1014	2086	2	2268	9012
4	1014	2087	6	2268	9016
4	1014	2088	6	2268	9017
4	1014	2089	3	2268	9019
4	1014	2090	5	2268	9020
4	1016	2091	5	2268	9021
1	1065	2100	5	2268	9022
4	1066	2200	5	2268	9023
1	1067	2300	1	2268	9024
1	1068	2400	2	2268	9025
1	1011	2600	2	2268	9026
4	1099	2700	1	2268	9027
1	N/A	2816	1	2268	9028
2	1047	2819	1	2268	9031
3	1052	2820	2	2268	9033
4	1049	2821	3	2268	9034
			5	2251	9040
			5	2274	9060

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(F.A.C.T.S.)**

APPENDIX IX

**CAPITAL ASSETS CLASSIFICATION CODES, DEFINITIONS,
AND CAPITALIZATION THRESHOLDS**

100 Land, Land Use Rights and Land Improvements

Capitalization threshold: None for land, rights of way and easements, all land acquisitions are to be capitalized, regardless of original cost. For non-depreciable and depreciable land improvements, the threshold is \$100,000.

101 **Land** - a portion of the earth's solid surface distinguishable by boundaries or ownership.

111 **Rights of Way** - a legal right of passage or use over another person's land.

121 **Easement** - an interest in land owned by another that entitles its' holder to a specific limited use or enjoyment.

131 **Non-Depreciable Land Improvements** - additions and/ or enhancements to land that do not depreciate, such as landscaping.

141 **Depreciable Land Improvements** - additions and/or enhancements to land that do depreciate, such as a parking lot, lighting, walkways, and fencing. **(Estimated useful life: 20 years, estimated salvage value: N/A)**

200 Buildings, Building Renovations and Leasehold Improvements

Capitalization threshold: A unit cost of \$100,000 or more and an estimated useful life of one year or more.

201 **Buildings and Other Structures** - a roofed and walled structure built for permanent use as a dwelling, for storage or commercial use. Includes all expenditures for the acquisition or construction of buildings and other structures, including permanently attached fixtures and equipment, and additions or alterations adding to the building's useful life or increasing its value. **(Estimated useful life: 50 years, estimated salvage value: N/A).**

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- 211 **Building Renovations and Improvements** –extensive attachments and annexations intended to be permanent and remain attached or annexed; additions and/or enhancements that restore the building to a former better condition. Includes all expenditures for renovation/improvement of a permanent nature to a building or a component thereof adding to the building’s useful life or increasing its value. ***(Estimated useful life: 20 years, estimated salvage value: N/A)***
- 221 **Leasehold Improvements** - property held by lease as a lessee that is enhanced by the lessee to improve its usefulness, quality, or value. Includes all expenditures for renovation/improvement of a permanent nature to real estate or a building or a component thereof adding to the its useful life or increasing its value. ***(Estimated useful life: term of the lease, estimated salvage value: N/A)***
- 222 **Leasehold Improvements - Land**
- 223 **Leasehold Improvements – Buildings**
- 300 **Construction in Progress**- cost of construction work undertaken but not yet completed.
- 301 **Construction in Progress –Land Improvements**
- 311 **Construction in Progress –Buildings**
- 321 **Construction in Progress- Leasehold Improvements**
- 331 **Construction in Progress- Furniture, Machinery and Equipment**
- 341 **Construction in Progress – Infrastructure**
- 400 **Works of Art, Historical Treasures, and Memorabilia**
- Capitalization threshold:** A unit cost of \$5,000 or more and an estimated useful life of one year or more for assets purchased. All donations of works of art, buildings, furnishings and memorabilia of artistic or historic value shall be capitalized. ***(Estimated useful life: N/A, estimated salvage value: N/A)***
- 401 **Monuments, Statues and Historical Sites**-a memorial stone, building or three-dimensional representation of a person, animal or mythical being; the location of a structure or set of structures

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- 411 **Historical Buildings**- a roofed and walled structure used in the past that has significant importance for current public education and/or research.
- 421 **Furniture and Furnishings**- an article of equipment that is necessary, useful or desirable for the interior of a building.
- 431 **Collections of Artistic and Historic Memorabilia**- aesthetic objects; precious things worthy of remembrance
- 441 **Paintings and Sculptures**- articles depicted in lines and colors on a flat surface; an image or representation from solid material.

500 **Motor Vehicles & Auto Service Equipment**

Capitalization threshold: A unit cost of \$5,000 or more and an estimated useful life of one year or more.

- 501 **Motor Vehicles** – an automotive (self-propelled) vehicle powered by an internal combustion engine and used on roadways and highways to transport people and other items. Includes all expenditures for automobiles, buses, light trucks, and motorcycles. ***(Estimated useful life: 5 years; estimated salvage value: N/A)***
- 511 **Motor Vehicle Service Equipment** - garage equipment to be used to service motor vehicles. Motor vehicle service equipment includes brake service equipment, tire changers, wheel alignment units, power lifts, lubrication equipment, wheel balancers, service jacks, valve refacers, engine analyzers and paint spray booths. ***(Estimated useful life: 5 years, estimated salvage value: N/A)***
- 521 **Trailers** – a wheeled vehicle designed to haul items and that is drawn behind a motor vehicle. ***Estimated useful life: 10 years, estimated salvage value: N/A)***
- 522 **Heavy Equipment**- a (self-propelled) vehicle powered by an internal combustion engine and used on roadways and highways to transport people and other items, also used for off-road purposes to construct and/or maintain roads, bridges, buildings or other equipment. ***(Estimated useful life: 10 years; estimated salvage value: N/A)***

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600 **Furniture and Equipment**

Capitalization Threshold: A unit cost of \$5,000 or more and an estimated useful life of one year or more.

- 601 **Aircraft and Aviation Equipment-** A fixed-wing aeronautical (self-propelled) vehicle propelled by a propeller or high-velocity jet powered by an internal combustion engine and supported by the dynamic reaction of the air against its wings; any type of airplane, helicopter and other aviation-related equipment. ***(Estimated useful life: 10 years, estimated salvage value: N/A)***
- 611 **Boats and Nautical Equipment-** A nautical vessel propelled by oars, paddles wind or by an internal combustion engine; any type of boat and nautical equipment. ***(Estimated useful life: 10 years, estimated salvage value: N/A)***
- 621 **Building & Plant Equipment-** Any tangible property other than land and buildings that is useful in servicing buildings and in carrying out building operations. Includes all expenditures for machinery, apparatus, and other equipment necessary to the operation and servicing of buildings, utility plants, and other structures. (Street sweepers, snow blowers and snow plows, cherry pickers, heating, air conditioning, fire safety, lighting.) ***(Estimated useful life: 5 years, estimated salvage value: N/A)***
- 631 **Construction Equipment-** Any equipment or machinery that is used to plan, design and construct, annex or attach land, buildings and/or infrastructure. Includes all expenditures for equipment used in the planning design and construction of buildings, highways and other structures; and in making engineering surveys. (Non-registered motor vehicles, front-end loaders, backhoes, bulldozers, cranes, graders, transits, compass.) ***(Estimated useful life: 5 years, estimated salvage value: N/A)***
- 641 **Education & Recreation Equipment-** Any furniture, machinery or equipment that is used for recreation, educational or library purposes. (Collection of books, film projectors, videocassette recorders, television video cameras microphones, speaking podiums and athletic equipment.) ***(Estimated useful life: 5 years, estimated salvage value: N/A.)***

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- 651 **Farm Equipment & Livestock**- Any farming machinery and equipment used for agricultural, horticultural or dairy farm purposes and farm animals kept for use and profit. (Animals purchased for laboratory purposes should be classified as "Medical, Surgical and Laboratory Equipment.") (Tractors, balers, combines, horses, cattle, swine and other domestic animals.) ***(Estimated useful life: equipment 5 years, livestock 5 years, estimated salvage value: N/A)***
- 661 **Household Furniture & Equipment**- Any furniture, furnishings or related equipment that is used in and around living quarters for the purpose of maintaining a household. Includes items such as stoves, refrigerators, laundry appliances, beds, bureaus, rugs and carpeting, couches, loveseats, and patio furniture. ***(Estimated useful life: 5 years, estimated salvage value: N/A)***
- 671 **Medical, Surgical & Lab Equipment**- Any machinery and equipment that is used for medical and /or surgical treatment, testing or research. Laboratory equipment purchased for educational institutions should be classified as "Educational Equipment." (X-rays machines, CAT scan/MRI machines, examination tables, stills, microscopes, meters, centrifuges, spectrophotometers, and water hardness testers.) ***(Estimated useful life: 5 years, estimated salvage value: N/A)***
- 681 **Office Furniture & Equipment** Any equipment or appliance that is used in the operation and/or daily functions for the conduct of a trade, business, profession, or government service. Includes all expenditures for desks, chairs, cabinets, tables, bookcases, credenzas storage bins, lamps, shelving units, copiers, microfilm/microfiche readers, and fax machines. ***(Estimated useful life: 5 years, estimated salvage value: N/A)***
- 691 **Other**- Items shall include any article that does not meet the definitions in the above categories. (Mobile radios, hand-held portable radios, rifles, telephones [cellular, mobile, land-based], and telephone systems [voice mail systems, answering systems, interactive voice response systems].) ***(Estimated useful life: 5 years, estimated salvage value: N/A)***

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APPENDIX IX

700 **Computers, Software and User Licenses**

Capitalization threshold: For control purposes a unit cost of \$500.00 and a useful life of one year or more. For financial reporting purposes: PCs, laptops, and notebooks -- \$5,000; mainframe -- \$5,000; software and licenses -- \$50,000; and a useful life of one year or more.

701 **Computer Equipment (personal computers, laptops or notebooks) with cost or basis of less than \$5,000** – A programmable electronic device that can store, retrieve, process and send data and information and is used at a desk, or is portable and can be used outside of the office. Computer hardware and connecting devices designed for use on a desk or to be portable. **DESKTOP** Items shall include monitors, CPU's, printers, scanners, projectors and accessories. A computer consists of one monitor, CPU and a keyboard, this will require only one barcode and the serial # of the CPU. **PORTABLE** items shall include any accessories related to the use of all laptops and notebooks computers. ***(Estimated useful life: 5 years, estimated salvage value: N/A)***

711 **Computer Equipment (mainframe, server, network equipment, routers, switches)** - A programmable device capable of storing, retrieving and processing data on a large scale for more than one user. Items shall include any and all mainframe external parts, servers, disk storage, printers, telecommunication networks, building cable, accessories, and tape and disk drives. ***(Estimated useful life: 5 years, estimated salvage value: N/A)***

721 **Computer Equipment and Software-Internally Developed (mainframe, server, network equipment, routers, switches)** - A programmable device capable of storing, retrieving and processing data on a large scale for more than one **user THAT IS FABRICATED OR DEVELOPED INTERNALLY**. Items shall include any and all mainframe external parts, servers, disk storage, printers, telecommunication networks, building cable, accessories, and tape and disk drives. ***(Estimated useful life: 5 years, estimated salvage value: N/A)***

731 **Computer Software (Purchased)** – The entire set of programs, procedures and related documentation associated with a computer system. Includes all expenditures for computer software (database, operating, and applications) for main frame computers, client-server networks, operating systems, web sites, and personal computers. ***(Estimated useful life: 5 years, estimated salvage value: N/A)***

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- 741 ***Computer User Licenses*** – a contractual right to use a particular version of computer software. Includes all expenditures for the acquisition of computer licenses for operating systems, databases, networks, and software. The cost of a software user license for a personal computer is excluded. ***(Estimated useful life: 5 years, estimated salvage value: N/A)***

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900 **Infrastructure**

Capitalization threshold: A unit cost of \$100,000 or more and an estimated useful life of one year or more.

Infrastructure assets are attachments or annexations to land designed to provide for public use, health, and welfare. Infrastructure assets are long-lived assets that can be preserved for a significantly greater number of years than most other types of capital assets and that are normally stationary in nature.

- 901 **Transportation/Transit** - includes roads, bridges, tunnels, curbs, streets, sidewalks, wharves, docks, piers, railroad track, buildings, crossings, pedestrian bridges, guardrails, boardwalks, alleys, traffic control devices, jersey barriers, parking meters, airport runways, taxiways and aprons etc. ***(Estimated useful life: 30 years, estimated salvage value: N/A)***
- 911 **Telecommunication/Technology** – includes poles, underground pipes, fiber optic cable, telephone cable, video cable, radio and microwave antennae and towers. ***(Estimated useful life: 30 years, estimated salvage value: N/A)***
- 921 **Drinking Water Distribution** – includes pipes, valves, pump stations, fire hydrants, water wells, water towers. ***(Estimated useful life: 50 years, estimated salvage value: N/A)***
- 931 **Natural Gas/Electric/CATV Utilities** - includes wire, cable, poles, lights, underground/underwater pipes, transformers, gas pipes, valves. ***(Estimated useful life: 50 years, estimated salvage value: N/A)***
- 941 **Wastewater Collection and Treatment** – includes storm drains, collection basins, pipes, and valves. ***(Estimated useful life: 24 years, estimated salvage value: N/A)***
- 951 **Solid Waste Collection, Treatment, and Disposal** – includes pipes, septic tanks, leach fields. ***(Estimated useful life: 24 years, estimated salvage value: N/A)***
- 961 **Watercourse Containment** – includes dams, levees, hurricane barriers, culverts, and tunnels. ***(Estimated useful life: 30 years, estimated salvage value: N/A)***

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- 971 **Heat/Steam Distribution Systems** - includes heat making equipment and building; pipes, valves and shutoffs of heat distribution system; administrative and storage buildings; rights of way. ***(Estimated useful life: 28 years, estimated salvage value: N/A)***

OFFICE OF ACCOUNTS AND CONTROL
LIST OF NATURAL ACCOUNTS FOR CAPITAL ACQUISITIONS
NON-CAPITALIZED PURCHASES
APPENDIX X

Legacy BOC	Parent Natural Account						Non-Capitalized Purchases		
							Natrl Acct		TITLE
	640000	NON CAPL	641000	PURC	641400	ART	641401	STAT	EQUIPMENT:DIRECT PURCHASE:STATUES AND MONUMENTS
	640000	NON CAPL	641000	PURC	641400	ART	641411	BLDG	EQUIPMENT:DIRECT PURCHASE:HISTORIC BUILDINGS
	640000	NON CAPL	641000	PURC	641400	ART	641421	FURN	EQUIPMENT:DIRECT PURCHASE:FURNITURE AND FURNISHINGS
	640000	NON CAPL	641000	PURC	641400	ART	641431	MEM	EQUIPMENT:DIRECT PURCHASE:COLLECTIONS AND MEMORABILIA
	640000	NON CAPL	641000	PURC	641400	ART	641441	PAINT	EQUIPMENT:DIRECT PURCHASE:PAINTINGS AND SCULPTURES
651	640000	NON CAPL	641000	PURC	641500	VEHL	641501	MTR VEHL	EQUIPMENT:DIRECT PURCHASE:VEHICLES:AUTOMOBILES
651	640000	NON CAPL	641000	PURC	641500	VEHL	641511	EQPT	EQUIPMENT:DIRECT PURCHASE:VEHICLES:MOTOR VEHICLE SERVICE EQUIPMENT
651	640000	NON CAPL	641000	PURC	641500	VEHL	641521	TRLR	EQUIPMENT:DIRECT PURCHASE:VEHICLES:TRAILERS
656	640000	NON CAPL	641000	PURC	641600	EQUIP	641601	AIR	EQUIPMENT:DIRECT PURCHASE:AIRCRAFT AND AVIATION EQUIPMENT
654	640000	NON CAPL	641000	PURC	641600	EQUIP	641611	BOAT	EQUIPMENT:DIRECT PURCHASE:BOATS AND NAUTICAL EQUIPMENT
654	640000	NON CAPL	641000	PURC	641600	EQUIP	641621	BLDG/PLNT	EQUIPMENT:DIRECT PURCHASE:BUILDING AND PLANT EQUIPMENT
653	640000	NON CAPL	641000	PURC	641600	EQUIP	641631	CONST	EQUIPMENT:DIRECT PURCHASE:CONSTRUCTION EQUIPMENT
654	640000	NON CAPL	641000	PURC	641600	EQUIP	641641	ED/ REC	EQUIPMENT:DIRECT PURCHASE:EDUCATIONAL AND RECREATIONAL EQUIPMENT
655	640000	NON CAPL	641000	PURC	641600	EQUIP	641651	FARM	EQUIPMENT:DIRECT PURCHASE::FARM EQUIPMENT AND LIVESTOCK
656	640000	NON CAPL	641000	PURC	641600	EQUIP	641661	HSHD	EQUIPMENT:DIRECT PURCHASE:HOUSEHOLD FURNITURE AND EQUIPMENT
657	640000	NON CAPL	641000	PURC	641600	EQUIP	641671	MED	EQUIPMENT:DIRECT PURCHASE:MEDICAL, SURGICAL AND LAB EQUIPMENT
658	640000	NON CAPL	641000	PURC	641600	EQUIP	641681	OFF	EQUIPMENT:DIRECT PURCHASE:OFFICE FURNITURE AND EQUIPMENT
659	640000	NON CAPL	641000	PURC	641600	EQUIP	641691	OTHR	EQUIPMENT:DIRECT PURCHASE:OTHER EQUIPMENT PURCHASES
660	640000	NON CAPL	641000	PURC	641700	COMP	641701	PC/LPTP	EQUIPMENT:DIRECT PURCHASE:COMPUTERS:PERSONAL COMPUTERS, DESKTOPS,LAPTOPS,NOTEBOOKS,PDA's COST LESS THAN \$500.00
660	640000	NON CAPL	641000	PURC	641700	COMP	641711	SERV	EQUIPMENT:DIRECT PURCHASE:COMPUTERS:MAINFRAME, SERVERS, NETWORK EQUIP.
660	640000	NON CAPL	641000	PURC	641700	COMP	641721	SERV/SFTWR	EQUIPMENT:DIRECT PURCHASE:COMPUTERS AND SOFTWARE INTERNALLY DEVELOPED
660	640000	NON CAPL	641000	PURC	641700	COMP	641731	SFTWR	EQUIPMENT:DIRECT PURCHASE:COMPUTERS:SOFTWARE
660	640000	NON CAPL	641000	PURC	641700	COMP	641741	LIC	EQUIPMENT:DIRECT PURCHASE:COMPUTERS:USER LICENSES

OFFICE OF ACCOUNTS AND CONTROL
LIST OF NATURAL ACCOUNTS FOR CAPITAL ACQUISITIONS
CAPITALIZED PURCHASES
APPENDIX X

Legacy BOC	Parent Natural Account						Capitalized Purchases		
							Account	TITLE	
		CAPL	661000	PURC	661100	LAND	661101	LAND	CAPITAL OUTLAY:LAND:LAND
	660000	CAPL	661000	PURC	661100	LAND	661111	R/O/W	CAPITAL OUTLAY:LAND:RIGHTS OF WAY
	660000	CAPL	661000	PURC	661100	LAND	661121	EASE	CAPITAL OUTLAY:LAND:EASEMENT
	660000	CAPL	661000	PURC	661100	LAND	661131	NON DEP IMP	CAPITAL OUTLAY:LAND:NON-DEPRECIABLE LAND IMPROVEMENTS
	660000	CAPL	661000	PURC	661100	LAND	661141	DEP IMP	CAPITAL OUTLAY:LAND:DEPRECIABLE LAND IMPROVEMENTS
	660000	CAPL	661000	CONST	661200	PROPA	661201	BLDG	CAPITAL OUTLAY:NEW CONSTRUCTION:PROPERTY ACQUISITION:BUILDING
	660000	CAPL	661000	CONST	661200	PROPA	661211	BLDG	CAPITAL OUTLAY:NEW CONSTRUCTION:PROP. ACQUIS. BLDG. RENOV. & IMPROVEMENTS
	660000	CAPL	661000	CONST	661200	PROPA	661221	LEAS	CAPITAL OUTLAY:NEW CONSTRUCTION:PROP. ACQUIS.: LEASEHOLD IMPROVEMENTS
	660000	CAPL	661000	CONST	661200	PROPA	N/A	OTHR	CAPITAL OUTLAY:NEW CONSTRUCTION:PROPERTY ACQUISITION:OTHER
	660000	CAPL	661000	CONST	661200	PROPA	661311	BLDG	CAPITAL OUTLAY:NEW CONSTRUCTION:CONSTRUCTION IN PROGRESS: BUILDINGS
	660000	CAPL	661000	CONST	661300	PROPA	661341	INFR	CAPITAL OUTLAY:NEW CONSTRUCTION:CONSTRUCTION IN PROGRESS:
	660000	CAPL	661000	PURC	661500	VEHL	661501	MTR V	EQUIPMENT:DIRECT PURCHASE:VEHICLES:AUTOMOBILES
	660000	CAPL	661000	PURC	661500	VEHL	661511	EQPT	EQUIPMENT:DIRECT PURCHASE:VEHICLES:MOTOR VEHICLE SERVICE EQUIPMENT
	660000	CAPL	661000	PURC	661500	VEHL	661521	TRLR	EQUIPMENT:DIRECT PURCHASE:VEHICLES:TRAILERS AND HEAVY EQUIPMENT
	660000	CAPL	661000	PURC	661600	EQUIP	661601	AIR	EQUIPMENT:DIRECT PURCHASE:AIRCRAFT AND AVIATION EQUIPMENT
	660000	CAPL	661000	PURC	661600	EQUIP	661611	BOAT	EQUIPMENT:DIRECT PURCHASE:BOATS AND NAUTICAL EQUIPMENT
	660000	CAPL	661000	PURC	661600	EQUIP	661621	BLDG/PLNT	EQUIPMENT:DIRECT PURCHASE:BUILDING AND PLANT EQUIPMENT
	660000	CAPL	661000	PURC	661600	EQUIP	661631	CONST	EQUIPMENT:DIRECT PURCHASE:CONSTRUCTION EQUIPMENT
662	660000	CAPL	661000	PURC	661600	EQUIP	661641	REC	EQUIPMENT:DIRECT PURCHASE:EDUCATIONAL AND RECREATIONAL EQUIPMENT
663	660000	CAPL	661000	PURC	661600	EQUIP	661651	FARM	EQUIPMENT:DIRECT PURCHASE::FARM EQUIPMENT AND LIVESTOCK
663	660000	CAPL	661000	PURC	661600	EQUIP	661661	HSHD	EQUIPMENT:DIRECT PURCHASE:HOUSEHOLD FURNITURE AND EQUIPMENT
663	660000	CAPL	661000	PURC	661600	EQUIP	661671	MED	EQUIPMENT:DIRECT PURCHASE:MEDICAL, SURGICAL AND LAB EQUIPMENT
663	660000	CAPL	661000	PURC	661600	EQUIP	661681	OFF	EQUIPMENT:DIRECT PURCHASE:OFFICE FURNITURE AND EQUIPMENT
663	660000	CAPL	661000	PURC	661600	EQUIP	661691	OTH	EQUIPMENT:DIRECT PURCHASE:OTHER EQUIPMENT PURCHASES
663	660000	CAPL	661000	PURC	661700	COMP	661701	PC/LPTP	EQUIPMENT:DIRECT PURCHASE:COMPUTERS:PC's,DESKTOPS, LAPTOPS,NOTEBOOKS,PDA's COST MORE THAN \$500.
663	660000	CAPL	661000	PURC	661700	COMP	661711	SERV	EQUIPMENT:DIRECT PURCHASE:COMPUTERS:MAINFRAME, SERVERS, NETWORK EQUIP.
661	660000	CAPL	661000	PURC	661700	COMP	661721	SERV/SFTWR	EQUIPMENT:DIRECT PURCHASE:COMPUTERS AND SOFTWARE INTERNALLY DEVELOPED
661	660000	CAPL	661000	PURC	661700	COMP	661731	SFTWR	EQUIPMENT:DIRECT PURCHASE:COMPUTERS:SOFTWARE
	660000	CAPL	661000	PURC	661700	COMP	661741	LIC	EQUIPMENT:DIRECT PURCHASE:COMPUTERS:USER LICENSES
	660000	CAPL	661000	CONST	661900	INFRA	661901	N/A	CAPITAL OUTLAY:NEW CONSTRUCTION:HIGHWAY CONSTRUCTION
661	660000	CAPL	661000	CONST	661900	INFRA	661911	TEL	CAPITAL OUTLAY:NEW CONSTRUCTION:UTILITIES:TELECOMMUNICATIONS
661	660000	CAPL	661000	CONST	661900	INFRA	661921	WATER	CAPITAL OUTLAY:NEW CONSTRUCTION:UTILITIES:DRINKING WATER DISTRIBUTION
664	660000	CAPL	661000	CONST	661900	INFRA	661931	ELEC	CAPITAL OUTLAY:NEW CONSTRUCTION:UTILITIES:NATURAL GAS/ELECTRIC/CATV
664	660000	CAPL	661000	CONST	661900	INFRA	661941	TREATS	CAPITAL OUTLAY:NEW CONSTRUCTION:UTILITIES: WASTEWATER COLLECTION AND TREATMENT SYSTEMS
664	660000	CAPL	661000	CONST	661900	INFRA	661951	TREATS	TREATMENT AND DISPOSAL
664	660000	CAPL	661000	CONST	661900	INFRA	661961	WATER	CAPITAL OUTLAY:NEW CONSTRUCTION:UTILITIES: WATERCOURSE CONTAINMENT
664	660000	CAPL	661000	CONST	661900	INFRA	661971	HEAT	CONSTRUCTION:UTILITIES:HEAT/STEAM DISTRIBUTION

OFFICE OF ACCOUNTS AND CONTROL
LIST OF NATURAL ACCOUNTS FOR CAPITAL ACQUISITIONS
CAPITALIZED PURCHASES
APPENDIX X

Legacy BOC	Parent Natural Account						Capitalized Purchases		
							Account	TITLE	
		CAPL	661000	PURC	661100	LAND	661101	LAND	CAPITAL OUTLAY:LAND:LAND
	660000	CAPL	661000	PURC	661100	LAND	661111	R/O/W	CAPITAL OUTLAY:LAND:RIGHTS OF WAY
	660000	CAPL	661000	PURC	661100	LAND	661121	EASE	CAPITAL OUTLAY:LAND:EASEMENT
	660000	CAPL	661000	PURC	661100	LAND	661131	NON DEP IMP	CAPITAL OUTLAY:LAND:NON-DEPRECIABLE LAND IMPROVEMENTS
	660000	CAPL	661000	PURC	661100	LAND	661141	DEP IMP	CAPITAL OUTLAY:LAND:DEPRECIABLE LAND IMPROVEMENTS
	660000	CAPL	661000	CONST	661200	PROPA	661201	BLDG	CAPITAL OUTLAY:NEW CONSTRUCTION:PROPERTY ACQUISITION:BUILDING
	660000	CAPL	661000	CONST	661200	PROPA	661211	BLDG	CAPITAL OUTLAY:NEW CONSTRUCTION:PROP. ACQUIS. BLDG. RENOV. & IMPROVEMENTS
	660000	CAPL	661000	CONST	661200	PROPA	661221	LEAS	CAPITAL OUTLAY:NEW CONSTRUCTION:PROP. ACQUIS.: LEASEHOLD IMPROVEMENTS
	660000	CAPL	661000	CONST	661200	PROPA	N/A	OTHR	CAPITAL OUTLAY:NEW CONSTRUCTION:PROPERTY ACQUISITION:OTHER
	660000	CAPL	661000	CONST	661200	PROPA	661311	BLDG	CAPITAL OUTLAY:NEW CONSTRUCTION:CONSTRUCTION IN PROGRESS: BUILDINGS
	660000	CAPL	661000	CONST	661300	PROPA	661341	INFR	CAPITAL OUTLAY:NEW CONSTRUCTION:CONSTRUCTION IN PROGRESS:
	660000	CAPL	661000	PURC	661500	VEHL	661501	MTR V	EQUIPMENT:DIRECT PURCHASE:VEHICLES:AUTOMOBILES
	660000	CAPL	661000	PURC	661500	VEHL	661511	EQPT	EQUIPMENT:DIRECT PURCHASE:VEHICLES:MOTOR VEHICLE SERVICE EQUIPMENT
	660000	CAPL	661000	PURC	661500	VEHL	661521	TRLR	EQUIPMENT:DIRECT PURCHASE:VEHICLES:TRAILERS AND HEAVY EQUIPMENT
	660000	CAPL	661000	PURC	661600	EQUIP	661601	AIR	EQUIPMENT:DIRECT PURCHASE:AIRCRAFT AND AVIATION EQUIPMENT
	660000	CAPL	661000	PURC	661600	EQUIP	661611	BOAT	EQUIPMENT:DIRECT PURCHASE:BOATS AND NAUTICAL EQUIPMENT
	660000	CAPL	661000	PURC	661600	EQUIP	661621	BLDG/PLNT	EQUIPMENT:DIRECT PURCHASE:BUILDING AND PLANT EQUIPMENT
	660000	CAPL	661000	PURC	661600	EQUIP	661631	CONST	EQUIPMENT:DIRECT PURCHASE:CONSTRUCTION EQUIPMENT
662	660000	CAPL	661000	PURC	661600	EQUIP	661641	REC	EQUIPMENT:DIRECT PURCHASE:EDUCATIONAL AND RECREATIONAL EQUIPMENT
663	660000	CAPL	661000	PURC	661600	EQUIP	661651	FARM	EQUIPMENT:DIRECT PURCHASE::FARM EQUIPMENT AND LIVESTOCK
663	660000	CAPL	661000	PURC	661600	EQUIP	661661	HSHD	EQUIPMENT:DIRECT PURCHASE:HOUSEHOLD FURNITURE AND EQUIPMENT
663	660000	CAPL	661000	PURC	661600	EQUIP	661671	MED	EQUIPMENT:DIRECT PURCHASE:MEDICAL, SURGICAL AND LAB EQUIPMENT
663	660000	CAPL	661000	PURC	661600	EQUIP	661681	OFF	EQUIPMENT:DIRECT PURCHASE:OFFICE FURNITURE AND EQUIPMENT
663	660000	CAPL	661000	PURC	661600	EQUIP	661691	OTH	EQUIPMENT:DIRECT PURCHASE:OTHER EQUIPMENT PURCHASES
663	660000	CAPL	661000	PURC	661700	COMP	661701	PC/LPTP	EQUIPMENT:DIRECT PURCHASE:COMPUTERS:PC's,DESKTOPS, LAPTOPS,NOTEBOOKS,PDA's COST MORE THAN \$500.
663	660000	CAPL	661000	PURC	661700	COMP	661711	SERV	EQUIPMENT:DIRECT PURCHASE:COMPUTERS:MAINFRAME, SERVERS, NETWORK EQUIP.
661	660000	CAPL	661000	PURC	661700	COMP	661721	SERV/SFTWR	EQUIPMENT:DIRECT PURCHASE:COMPUTERS AND SOFTWARE INTERNALLY DEVELOPED
661	660000	CAPL	661000	PURC	661700	COMP	661731	SFTWR	EQUIPMENT:DIRECT PURCHASE:COMPUTERS:SOFTWARE
	660000	CAPL	661000	PURC	661700	COMP	661741	LIC	EQUIPMENT:DIRECT PURCHASE:COMPUTERS:USER LICENSES
	660000	CAPL	661000	CONST	661900	INFRA	661901	N/A	CAPITAL OUTLAY:NEW CONSTRUCTION:HIGHWAY CONSTRUCTION
661	660000	CAPL	661000	CONST	661900	INFRA	661911	TEL	CAPITAL OUTLAY:NEW CONSTRUCTION:UTILITIES:TELECOMMUNICATIONS
661	660000	CAPL	661000	CONST	661900	INFRA	661921	WATER	CAPITAL OUTLAY:NEW CONSTRUCTION:UTILITIES:DRINKING WATER DISTRIBUTION
664	660000	CAPL	661000	CONST	661900	INFRA	661931	ELEC	CAPITAL OUTLAY:NEW CONSTRUCTION:UTILITIES:NATURAL GAS/ELECTRIC/CATV
664	660000	CAPL	661000	CONST	661900	INFRA	661941	TREATS	CAPITAL OUTLAY:NEW CONSTRUCTION:UTILITIES: WASTEWATER COLLECTION AND TREATMENT SYSTEMS
664	660000	CAPL	661000	CONST	661900	INFRA	661951	TREATS	TREATMENT AND DISPOSAL
664	660000	CAPL	661000	CONST	661900	INFRA	661961	WATER	CAPITAL OUTLAY:NEW CONSTRUCTION:UTILITIES: WATERCOURSE CONTAINMENT
664	660000	CAPL	661000	CONST	661900	INFRA	661971	HEAT	CONSTRUCTION:UTILITIES:HEAT/STEAM DISTRIBUTION

OFFICE OF ACCOUNTS AND CONTROL
LIST OF NATURAL ACCOUNTS FOR CAPITAL ACQUISITIONS
CAPITOL LEASES
APPENDIX X

Legacy BOC	Parent Natural Account						<i>Capital Leases</i>		
							<i>Natural Account</i>		<i>TITLE</i>
	660000	CAPL	662000	LEAS	662100	LAND	662101	LAND	CAPITAL LEASE:LAND:LAND
	660000	CAPL	662000	LEAS	662200	BLDG	662201	BLDG	CAPITAL LEASE:BUILDING
	660000	CAPL	662000	LEAS	662500	VEHL	662501	MTR V	EQUIPMENT:CAPITAL LEASE:VEHICLES:AUTOMOBILES
	660000	CAPL	662000	LEAS	662500	VEHL	662511	EQPT	EQUIPMENT:CAPITAL LEASE PURCHASE:VEHICLES:MOTOR VEHICLE SERVICE EQUIPMENT
	660000	CAPL	662000	LEAS	662500	VEHL	662521	TRLR	EQUIPMENT:CAPITAL LEASE:VEHICLES:TRAILERS
	660000	CAPL	662000	LEAS	662600	EQUIP	662601	AIR	EQUIPMENT:CAPITAL LEASE:AIRCRAFT AND AVIATION EQUIPMENT
	660000	CAPL	662000	LEAS	662600	EQUIP	662611	BOAT	EQUIPMENT:CAPITAL LEASE:BOATS AND NAUTICAL EQUIPMENT
	660000	CAPL	662000	LEAS	662600	EQUIP	662621	BLDG/PLNT	EQUIPMENT:CAPITAL LEASE:BUILDING AND PLANT EQUIPMENT
	660000	CAPL	662000	LEAS	662600	EQUIP	662631	CONST	EQUIPMENT:CAPITAL LEASE:CONSTRUCTION EQUIPMENT
	660000	CAPL	662000	LEAS	662600	EQUIP	662641	ED/REC	EQUIPMENT:CAPITAL LEASE:EDUCATIONAL AND RECREATIONAL EQUIPMENT
	660000	CAPL	662000	LEAS	662600	EQUIP	662651	FARM	EQUIPMENT:CAPITAL LEASE:FARM EQUIPMENT AND LIVESTOCK
	660000	CAPL	662000	LEAS	662600	EQUIP	662661	HSHD	EQUIPMENT:CAPITAL LEASE:HOUSEHOLD FURNITURE AND EQUIPMENT
	660000	CAPL	662000	LEAS	662600	EQUIP	662671	MED	EQUIPMENT:CAPITAL LEASE:MEDICAL, SURGICAL AND LAB EQUIPMENT
	660000	CAPL	662000	LEAS	662600	EQUIP	662681	JFF	EQUIPMENT:CAPITAL LEASE:OFFICE FURNITURE AND EQUIPMENT
	660000	CAPL	662000	LEAS	662600	EQUIP	662691	OTHR	EQUIPMENT:CAPITAL LEASE:OTHER EQUIPMENT PURCHASES
	660000	CAPL	662000	LEAS	662700	COMP	662701	PC/LPTP	EQUIPMENT:CAPITAL LEASE:COMPUTERS:PC's, DESKTOPSLAPTOPS, NOTEBOOKS, PDA's COST MORE THAN \$500.
	660000	CAPL	662000	LEAS	662700	COMP	662711	SERV	EQUIPMENT:CAPITAL LEASE:COMPUTERS:MAINFRAME, SERVERS, NETWORK EQUIP.
	660000	CAPL	662000	LEAS	662700	COMP	662721	SERVSFTWR	EQUIPMENT:CAPITAL LEASE:COMPUTERS AND SOFTWARE INTERNALLY DEVELOPED
	660000	CAPL	662000	LEAS	662700	COMP	662731	SFTWR	EQUIPMENT:CAPITAL LEASE:COMPUTERS:SOFTWARE
	660000	CAPL	662000	LEAS	662700	COMP	662741	LIC	EQUIPMENT:CAPITAL LEASE:COMPUTERS:USER LICENSES

**FIXED ASSET CONTROL AND TRACKING SYSTEM
(F.A.C.T.S.)**

APPENDIX XI

ALIGNMENT OF CAPITAL ASSETS FOR FINANCIAL REPORTING

Alignment of Capital Assets for Financial Reporting	Includes Classifications	Category Parent Code	Category Code
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CAPITAL ASSETS NOT BEING DEPRECIATED:

Land	Land; Land use rights; Nondepreciable land improvements	100	101, 111, 121, 131
Construction in progress	Construction in progress - Land improvements; Construction in progress - Buildings; Constructon in progress - Leasehold improvements; Construction in progress - Furniture, Machinery and Equipment; Construction in progress - Infrastructure	300	301, 311, 321, 331, 341
Works of art	Monuments, statues and historical sites; Historical buildings; (Historical) Furniture and furnishings; Collections of artistic and historical memorabilia; Paintings and sculptures	400	401, 411, 421, 431, 441

CAPITAL ASSETS BEING DEPRECIATED

Buildings	Buildings; Building renovations; Leasehold improvements	200	201, 211, 221, 223
Equipment	Motor Vehicles, Motor Vehicle Service Equipment and Trailers; Furniture and Equipment; Computers, Software, and User Licenses	500, 600, 700	501, 511, 521, 601, 611, 621, 631, 641, 651, 661, 671, 681, 691, 701, 711, 721, 731, 741
Land improvements	Depreciable land improvements, Leasehold improvements-land	100, 200	141, 222
Infrastructure	Infrastructure	900	901, 911, 921, 931, 941, 951, 961, 971